

businessstoday.in

Business Today

March 20, 2022 ₹150



**RUSSIA-UKRAINE
CONFLICT: THE
IMPACT ON INDIA**

**THE STAR-DISNEY
COMBINE'S OTT
CHALLENGE**

**SALIL PAREKH
CEO and MD
Infosys**

INDIA'S BEST CEOs

A BT-PwC STUDY

RETURN OF THE TECH TITAN

**SALIL PAREKH'S INFOSYS IS FINALLY LIVING UP TO
THE BRAND'S PAST GLORY. IT IS ALSO CREATING
NEW BENCHMARKS FOR THE FUTURE**

INDIA
TODAY

BREAKING NEWS

JUST A TAP AWAY



DOWNLOAD THE APP NOW

AVAILABLE ON





देश का नं. 1 हिंदी न्यूज़ ऐप

जुड़े रहिए हर खबर से,
कहीं भी, कभी भी

अभी डाउनलोड करें

aajtak.in/app

उपलब्ध है





JAISALMER

CRAFTED BAR COLLECTIBLES

The Royalty Awaits

NOW AVAILABLE IN INDIA



Scan the QR Code
to visit our website

Available at select outlets in Delhi, UP, Haryana, Rajasthan, Goa, Mumbai, Pune, Daman, Bengaluru, Hyderabad and Puducherry.
To know more about Jaisalmer, write to us at jaisalmer@radico.co.in

INDIA'S BEST CEOs | A BT-PwC STUDY

business today.in
Business Today

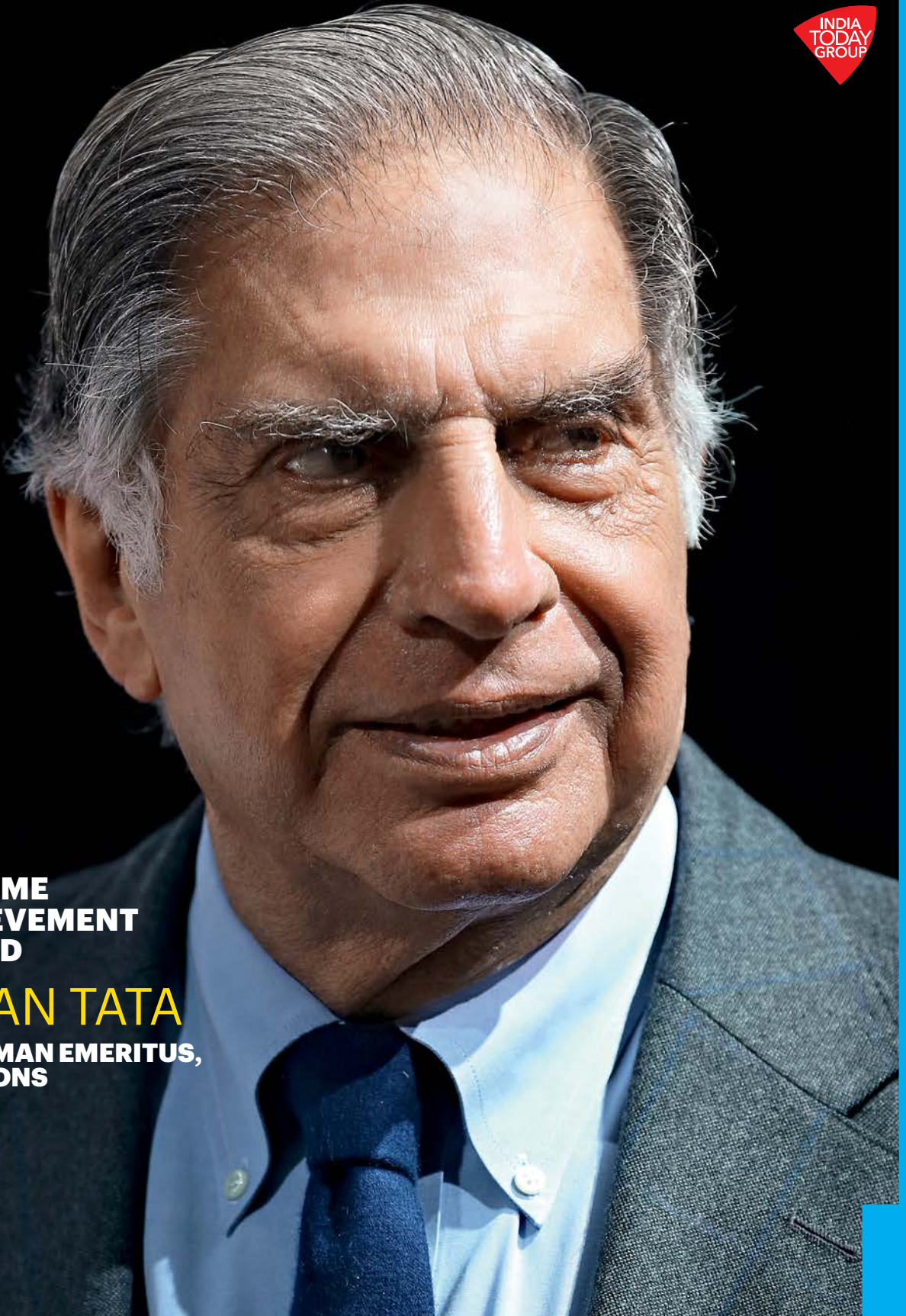
March 20, 2022



•
**LIFETIME
ACHIEVEMENT
AWARD**

RATAN TATA

**CHAIRMAN EMERITUS,
TATA SONS**



WELCOME BACK TO SINGAPORE

Travellers from India who are fully vaccinated can now visit Singapore quarantine free on Vaccinated Travel Lane (VTL) flights.

Singapore Airlines operates daily VTL flights from Chennai, Delhi and Mumbai.

For the latest information, please visit <https://safetravel.ica.gov.sg/vtl/requirements-and-process>

Or scan the QR code below



singaporeimagine



singapore
Passion Made Possible

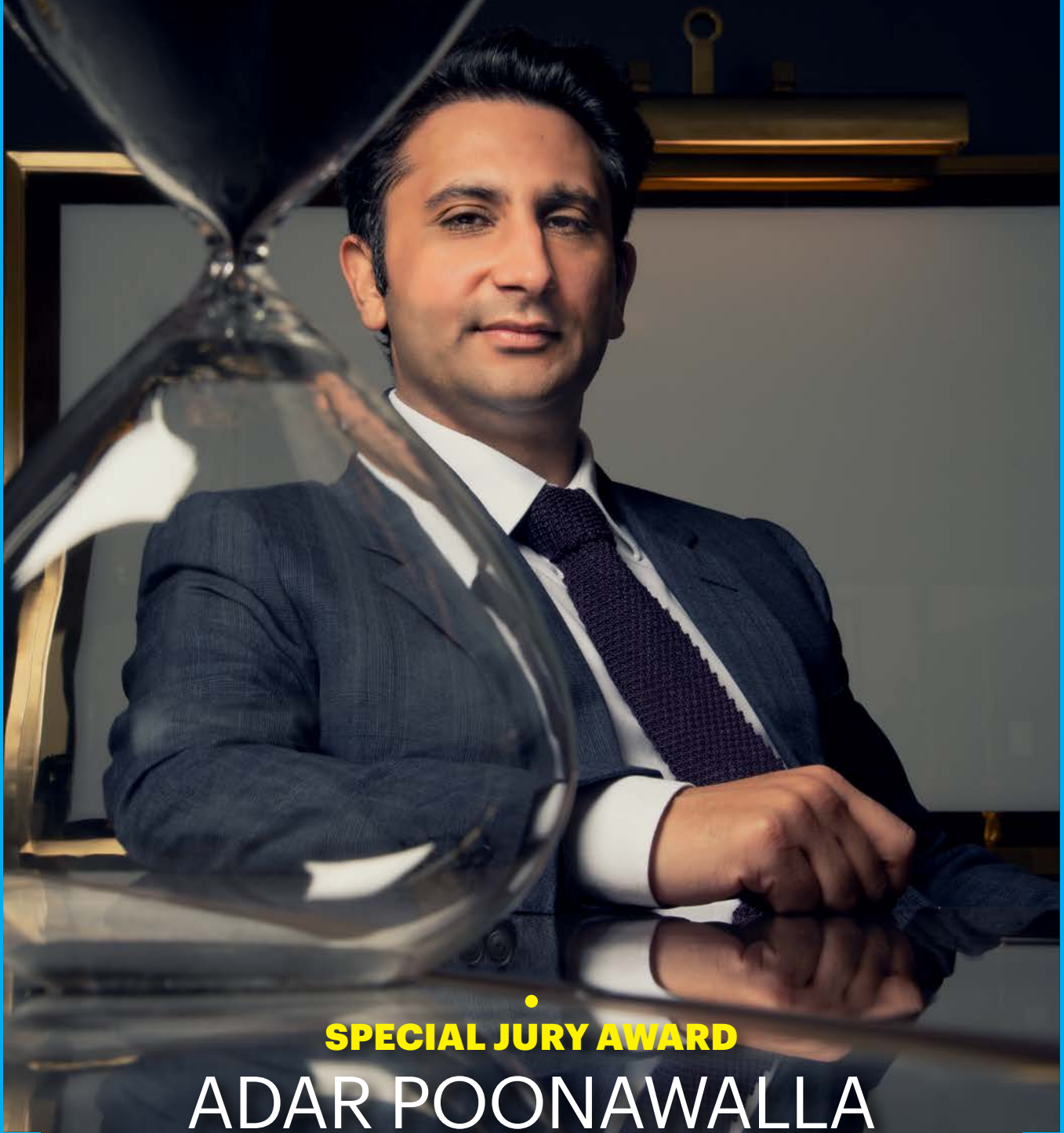
www.VisitSingapore.com



INDIA'S BEST CEOs | A BT-PwC STUDY

businessstoday.in
Business Today

March 20, 2022



SPECIAL JURY AWARD

ADAR POONAWALLA
CEO, SERUM INSTITUTE OF INDIA

INDIA'S NO.1 TILE COMPANY

- ▶ India's largest tiles manufacturer is now world's No. 8
- ▶ Manufacturing spread across 10 plants - 8 tiles, 1 sanitaryware & 1 faucet
- ▶ PAN India network of dealers and world-class showrooms for a magnificent experience
- ▶ Won Superbrand status 12 times in a row
- ▶ Products adhere to green building norms
- ▶ India's only tile company to win 'Asia's most promising brand award' in the premium tile category
- ▶ Surging ahead into sanitaryware & faucets under the brand name - Kerovit
- ▶ Forayed into the wood panel segment with plywood and laminates under the brand name - KajariaPLY & Kajaria Laminates



KAJARIA CERAMICS LIMITED

J-1/B-1(EXTN.), MOHAN CO-OPERATIVE INDUSTRIAL ESTATE, MATHURA ROAD, NEW DELHI-110044

Tel.: +91-11-26946409, Toll Free No.: 1800 11 2992 Email: info@kajariaceramics.com

Web: www.kajariaceramics.com [facebook.com/KajariaCeramicsLimited](https://www.facebook.com/KajariaCeramicsLimited) twitter.com/KajariaCeramic

INDIA'S BEST CEOs | A BT-PwC STUDY

business today.in
Business Today

March 20, 2022



• **CHAMPION OF
CHAMPIONS**

**RAJEEV
JAIN**

**MANAGING
DIRECTOR,
BAJAJ FINANCE**

Power Container Solutions

Modular and scalable for MW data centers



The power behind competitiveness

Delta InfraSuite Power Container Solutions

Cloud computing, 4G/5G and media streaming applications are driving the exponential growth of data traffic. IT managers are now facing the challenges of data center scalability for future IT expansion. As a world-leading data center solutions provider, Delta is introducing power container solutions for MW data center applications. The power container solutions feature high scalability to expand along with business growth. The agile and modular architecture can also combine with other individual modular subsystems including cooling, service, and IT containers for a complete containerized data center. Per customer requirements, Delta offers various design options and services for optimal solutions. Delta also provides total data center life cycle services, including consulting, design, simulation, implementation and after service. Delta is the trusted backup power behind large data centers enabling people to enjoy a better digital life.



More information and success stories about Delta InfraSuite
www.deltaelectronicsindia.com

Contact our local consultant for knowing more on data center infrastructure total solutions.

TEL: +91 9873501221 Email: info.mcis@deltaww.com



Leading From the Front



People buy into the leader before they buy into the vision, says leadership coach John C. Maxwell. Indeed, the credibility of the leader is what determines the extent to which the team will follow the vision he or she lays down for the organisation. Iconic banker Aditya Puri, credited with building HDFC Bank brick by brick, told me that one of the first things he did when setting up the banking giant was to ensure his entire team, across levels, was aligned to the vision he had. The bank's success is as much a reflection of Puri's own credibility as a leader as it is to the depth of his vision. As companies across the world grapple with the after-effects of the Covid-19 pandemic, the role of the CEO has become even more crucial. The CEO today is expected to navigate a world where nothing is certain anymore—indeed, strategy is only as good as, perhaps, a year or two, as business realities and technologies change rapidly. But even more important is the need for today's CEOs to ensure leadership is purpose-driven, empathetic, and in consonance with the changing needs of the customer. As the India findings of the latest PwC Annual Global CEO Survey show, most CEOs have goals related to customer satisfaction, employee engagement, and automation or digitisation included in their long-term strategy.

The much-awaited annual BT-PwC India's Best CEOs ranking underscores these trends. The winners who were picked this year by the jury demonstrate not just strategic vision and the ability to make course corrections as market dynamics change, but also a keenness to understand deeply what the customer wants while being empathetic to the needs of the employees at a time when the pandemic has threatened to upend people's lives. This year, the jury unanimously decided to confer the Lifetime Achievement Award to iconic industrialist Ratan Tata who demonstrates all these qualities—Tata's empathetic leadership style and his vision for the group over the past decades have seen it command market leadership in several sectors, spawning a number of leaders within Tata companies who are now taking them forward. Champion of Champions winner Rajeev Jain, the Managing Director of NBFC major Bajaj Finance, was a clear choice for his vision and the manner in which he is transforming the finance company into one of the most exciting fintech firms, one which shareholders have been celebrating year after year. And then there is our cover person Salil Parekh, the CEO & MD of tech giant Infosys, who has managed to bring the bellwether back to its glory days with his single-minded focus on customer-centricity, digital transformation and the concept of One Infosys, while continuously focussing on up-skilling his employees to keep pace with changing market dynamics. Parekh tells *Krishna Gopalan*, who helmed this project, that his strategy was simple: "We needed to be more relevant and that was really it."

As you turn the pages of this issue, I invite you to read the stories of this diverse set of leaders who are bound, really, by just one common factor: the pursuit of excellence. **BT**

Sourav Majumdar
sourav.majumdar@aajtak.com
@TheSouravM

Business Today

<http://www.businesstoday.in>

Chairman & Editor-in-Chief: Aroon Purie
Vice Chairperson: Kalli Purie
Group Chief Executive Officer: Dinesh Bhatia
Executive Director: Rahul Kanwal
Chief Revenue Officer: Alok Nair

Editor: Sourav Majumdar
Group Creative Editor: Nilanjan Das
Group Photo Editor: Bandeep Singh

Global Business Editor: Udayan Mukherjee
Managing Editor, Business Today TV: Siddharth Zarabi
Editor, BusinessToday.in: Anirban Roy

Managing Editors: Alokesh Bhattacharyya, Anand Adhikari
Deputy Editor: Krishna Gopalan

CORRESPONDENTS

Senior Editors: Neetu Chandra Sharma, Smita Tripathi, Teena Jain Kaushal
Senior Associate Editors: Ashish Rukhaiyar, Nidhi Singal
Senior Assistant Editor: Binu Paul
Assistant Editors: Arnab Dutta, Manish Pant
Special Correspondents: Prerna Lidhoo, Vidya S.
Correspondent: Rajat Mishra

PRESENTER AND SENIOR EDITOR, BUSINESS TODAY TV:
Aabha Bakaya

RESEARCH

Assistant Editor: Rahul Oberoi
Principal Research Analyst: Shivani Sharma

COPY DESK

Senior Associate Editor: Abhik Sen
Senior Assistant Editor: Harsh Vardhan

PHOTOGRAPHY

Deputy Chief Photographer: Yasir Iqbal
Principal Photographer: Rajwant Singh Rawat
Photo Researcher: Varun Gupta

ART

Deputy Creative Editor: Anirban Ghosh
Deputy Art Director: Rahul Sharma
Associate Art Director: Raj Verma

PRODUCTION

Chief of Production: Harish Aggarwal
Senior Production Coordinator: Narendra Singh
Associate Chief Coordinator: Rajesh Verma

LIBRARY

Assistant Librarian: Satbir Singh

Editorial Coordinator: Khushboo Thakur

IMPACT TEAM

National Head (Impact): Siddhartha Chatterjee
National Head (Government & PSU): Suparna Kumar
Senior General Manager: Jitendra Lad (West)
General Manager: Upendra Singh (Bangalore)
Deputy General Manager: Indranil Chatterjee (East)

Marketing: Vivek Malhotra, Group Chief Marketing Officer

Newsstand Sales: Deepak Bhatt, Senior General Manager (National Sales); Vipin Bagga, General Manager (Operations); Rajeev Gandhi, Deputy General Manager (North); Yogesh Godhanlal Gautam, Deputy Regional Sales Manager (West); S. Paramasivam, Deputy Regional Sales Manager (South); Piyush Ranjan Das, Senior Sales Manager (East)



Vol. 31, No. 6, for the fortnight March 7, 2022 to March 20, 2022. Released on March 7, 2022.

● Editorial Office: India Today Mediaplex, FC 8, Sector 16/A, Film City, Noida-201301; Tel: 0120-4807100; Fax: 0120-4807150 ● Advertising Office (Gurgaon): A1-A2, Enkay Centre, Ground Floor, V.N. Commercial Complex, Udyog Vihar, Phase 5, Gurgaon-122001; Tel: 0124-4948400; Fax: 0124-4030919; Mumbai: 1201, 12th Floor, Tower 2 A, One Indiabulls Centre (Jupiter Mills), S.B. Marg, Lower Parel (West), Mumbai-400013; Tel: 022-66063355; Fax: 022-66063226; Chennai: 5th Floor, Main Building No. 443, Guna Complex, Anna Salai, Teynampet, Chennai-600018; Tel: 044-28478525; Fax: 044-24361942; Bangalore: 202-204 Richmond Towers, 2nd Floor, 12, Richmond Road, Bangalore-560025; Tel: 080-22212448, 080-30374106; Fax: 080-22218335; Kolkata: 52, I.L. Road, 4th floor, Kolkata-700071; Tel: 033-22825398, 033-22827726, 033-22821922; Fax: 033-22827254; Hyderabad: 6-3-885/7/B, Raj Bhawan Road, Somajiguda, Hyderabad-500082; Tel: 040-23401657, 040-23400479; Ahmedabad: 2nd Floor, 2C, Surya Rath Building, Behind White House, Panchwati, Off: C.G. Road, Ahmedabad-380006; Tel: 079-6560393, 079-6560929; Fax: 079-6565293; Kochi: Karakkatt Road, Kochi-682016; Tel: 0484-2377057, 0484-2377058; Fax: 0484-370962 ● Subscriptions: For assistance contact Customer Care, India Today Group, C-9, Sector 10, Noida (UP) - 201301; Tel: 0120-2479900 from Delhi & Faridabad, 0120-2479900 (Monday-Friday, 10 am-6 pm) from Rest of India; Toll free no: 1800 1800 100 (from BSNL/ MTNL lines); Fax: 0120-4078080; E-mail: wearebtg@intoday.com ● Sales: General Manager Sales, Living Media India Ltd, C-9, Sector 10, Noida (UP) - 201301; Tel: 0120-4019500; Fax: 0120-4019564 © 1996 Living Media India Ltd. All rights reserved throughout the world. Reproduction in any manner is prohibited. ● Printed & published by Manoj Sharma on behalf of Living Media India Limited. Printed at Thomson Press India Limited, 18-35, Milestone, Delhi-Mathura Road, Faridabad-121007 (Haryana). Published at F-26, First Floor, Connaught Place, New Delhi-110001. Editor: Sourav Majumdar ● Business Today does not take responsibility for returning unsolicited publication material. All disputes are subject to the exclusive jurisdiction of competent courts and forums in Delhi/New Delhi only.



For reprint rights and syndication enquiries, contact syndications@intoday.com or call +91-120-4078000
www.syndicationtoday.in



THE WORLD'S SPEAKING THE LANGUAGE OF CRYPTO. WE'RE BRINGING IT TO YOU IN SIGN LANGUAGE.

Free & certified courses.

Comprehensive list of topics.

Explained

Disclaimer: Crypto assets are subject to market risks and volatility. Before investing, do your own research. T&C apply. The above information, content, data is for educational and informational purposes only and represents the independent solicitation of an offer, to invest in, or to buy or sell any interest or shares, digital assets / cryptocurrencies or securities, or not be treated as legal, financial, investment or tax advice by the reader.



We believe there should be no barriers when it comes to learning crypto. Which is why we have introduced a beginner course in sign language for those who're specially abled. Since 2019, DCX Learn has been taking the initiative to educate people about all things crypto. A one-of-its-kind platform, DCX Learn brings the country's top crypto experts under one roof to explain and simplify all there is to know about crypto. And now, our sign language expert will further simplify things to our deaf and dumb audiences. It's the ideal starting point to begin your crypto journey.

To get access to free and certified courses, log on to dcxlearn.com/cryptolearning.



by experts. A knowledge-sharing initiative by Coin**DCX**

and personal views of the author. The content, information or data provided above is not an offer, or to participate in any investment or trading strategy, Any statement or communication made above shall

CONTENTS

March 20, 2022 | Volume 31 | Number 6

A BT-PwC STUDY

INDIA'S BEST CEOs

CHAMPION OF CHAMPIONS-RAJEEV JAIN 48 | LIFETIME ACHIEVEMENT-RATAN TATA 54 | SPECIAL JURY AWARD-ADAR POONAWALLA 62 | SUPER LARGE COMPANIES-RAJESH GOPINATHAN 64 | LARGE COMPANIES-SALIL PAREKH 68 | EMERGING COMPANIES-SANJEEV KUMAR 74 | AGRICULTURE & ALLIED-MAYANK SINGHAL 78 | AUTO & ANCILLARIES-ARVIND PODDAR 80 | BFSI-PADMAJA CHUNDURU 82 | CEMENT-H.M. BANGUR 84 | CHEMICALS-YOGESH KOTHARI 88 | CONSUMER DURABLES-SHANTANU KHOSLA 90 | FMCG-SANJIV MEHTA 92 | INDUSTRIALS-M.V. GOWTAMA 94 | INFRA & ENGINEERING-S.N. SUBRAHMANYAN 96 | IT & ITES-SANJAY JALONA 98 | METALS & MINING-T.V. NARENDRAN 100 | OIL & GAS-PANKAJ KUMAR 102 | PHARMA & HEALTHCARE-SATYANARAYANA CHAVA 104 | POWER-K. SREEKANT 108 | REAL ESTATE-IRFAN RAZACK 110 | TEXTILES & APPAREL-K.P. RAMASAMY 112 | COLUMN 114 | METHODOLOGY 116



ILLUSTRATION BY RAJ VERMA

Cover **SUDHIR DAMERLA**; Inside cover 1 **JASON ALDEN**/ Getty Images; Inside cover 2 **BANDEEP SINGH**; Inside cover 3 **RACHIT GOSWAMI**

18 | THE BUZZ: PHOTOGRAPHIK

Howzzat!

The IPL 2022 auction saw 108 players fetch bids of ₹1 crore or more

20 | THE BUZZ: POINT

The GDP Growth Mural

Projections say global GDP growth could be losing steam

22 | THE BUZZ: BRIEFINGS

Disclose to Go Public

Sebi tightens norms for loss-making firms planning IPOs. And more...



25 | THE BUZZ: SPOTLIGHT

An Empty Cockpit

Air India hits an air pocket after Ilker Ayci declines MD & CEO's post. And more...

26 | UPDATE

Russia-Ukraine Conflict

The economic impact of the Russian invasion

COVER STORY

46

LIC's

New Group Superannuation Cash Accumulation Plan

UIN : 512N274V03



**Happy
Employer**

**Happy
Employees**



Salient Features :

- Ideal for defined benefit and defined contribution schemes
- Option for contribution by employees also
- Income Tax Benefits u/s 36 (1) (iv) and 10 (25) (iii) as per existing provisions of IT act
- Guaranteed interest rates
- Flexible funding options

Beware of spurious phone calls and fictitious / fraudulent offers

IRDAI clarifies to public that • IRDAI or its officials do not involve in activities like sale of any kind of insurance or financial products nor invest premiums. • IRDAI does not announce any bonus. Public receiving such phone calls are requested to lodge a police complaint along with details of phone call number.

Attract and Retain Talent with LIC's Group Schemes

Contact through <https://mspgs.licindia.in/ilead> or email id- groupbusiness@licindia.com

Follow us :    LIC India Forever

IRDAI Regn. No. 512

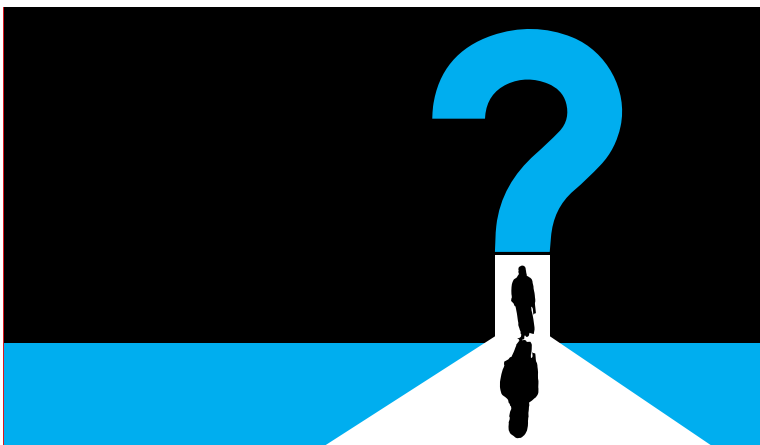


LIC

भारतीय जीवन बीमा निगम
LIFE INSURANCE CORPORATION OF INDIA

www.licindia.in

For more details on risk factors, terms and conditions
please read sales brochure carefully before concluding a sale.



UPDATE **30** |

A Himalayan Scandal

Former NSE MD & CEO Chitra Ramkrishna is facing the heat for alleged wrongdoings, but questions must also be asked of Sebi for the systemic lapses



UPDATE **40** |

ABG's Shipwreck

How ABG Shipyard's promoter Rishi Agarwal used a web of group companies and connected entities to siphon off bank funds



ANIMAL SPIRITS **44** |

Reset.com

India's digital bull run has just begun. The reset is an early stumble from which it will recover to emerge as the world's most vibrant digital ecosystem

FORM - IV

Place of Publication: New Delhi

Periodicity of its Publication: Fortnightly

Printer's Name: Manoj Sharma

Nationality: Indian

Address: A-3/723, Tower-8,
Silver City, Sector-93,
Noida-201301
Uttar Pradesh

Publisher's Name: Manoj Sharma

Nationality: Indian

Address: A-3/723, Tower-8
Silver City, Sector-93,
Noida-201301
Uttar Pradesh

Editor's Name: Mr. Sourav Majumdar

Nationality: Indian

Address:
502, C Wing, Blue Bird, Sherly Rajan Road,
Opposite Rizvi College, Bandra West,
Mumbai-400050

Names and Addresses of individuals who own the newspaper and partners or shareholders holding more than one percent of the total capital:

Owner: M/s. Living Media India Limited, F26, 1st Floor, Connaught Place, New Delhi - 110001

Shareholders holding more than one percent of the total capital of the owner company:

1. Mr. Aroon Purie, 6, Palam Marg, Vasant Vihar, New Delhi - 110057

2. Mrs. Rekha Purie, 6, Palam Marg, Vasant Vihar, New Delhi - 110057

3. Mr. Ankoor Purie, 6, Palam Marg, Vasant Vihar, New Delhi - 110057

4. Mrs. Koel Purie Rinchet, 6, Palam Marg, Vasant Vihar, New Delhi - 110057

5. Mrs. Kalli Purie Bhandal, 6, Palam Marg, Vasant Vihar, New Delhi - 110057

6. World Media Private Limited, F26, 1st Floor, Connaught Place, New Delhi - 110001

7. IGH Holdings Private Limited, 1st Floor, Industry House, 159 Churchgate Reclamation, Mumbai- 400020

I, Manoj Sharma, hereby declare that the particulars given above are true to the best of my knowledge and belief.

Date: 1st March, 2022

Manoj Sharma

Signature of Publisher

GIVE ADVANTAGE TO YOUR NETWORK WITH OWN IP ADDRESS

nixi
Empowering Netizens



KEY BENEFITS

Only Indian organization to delegate IP addresses (IPv4/IPv6).

*Get IPv6 address free of cost along with IPv4 address.



Contact us: nixi.in



customercare@nixi.in



Call us on: 011 48202001



[nixiindia](https://facebook.com/nixiindia)



[inregistry](https://twitter.com/inregistry)



[nixi](https://www.instagram.com/nixi)



[NIXI](https://www.linkedin.com/company/NIXI)

For NIXI Technical Trainings: <https://training.nixi.in/#/home>

*Conditions Apply



THE BT INTERVIEW **118** |

'We want to be among the top three players in every category'

Anil Rai Gupta, Chairman and Managing Director of Havells India, explains his growth strategy for the company and why he is hopeful of a revival

16 |



MEDIA & ENTERTAINMENT **124** |

Waltz Disney

It takes two to tango, especially in a market like India, and Disney knows it well. With the acquisition of Star India, it is ready to get a larger chunk of the broadcasting and OTT pie. But will it be a perfect dance?



MONEY TODAY **132** |

The Life After...

...could be joyful or painful, depending on how you manage your money for retirement play. Here are some tips on how to do it right



138 |

THE GOOD LIFE: TRENDS

Electrify Your Ride

Tired of pedalling your old bicycle? Time to move to an e-cycle for that extra oomph



142 |

THE GOOD LIFE: TECH TONIC

The Honcho's Kit

If you hold one of those corner offices, here are some powerful gadgets to grab and make a statement worthy of your position

144 |

THE BEST ADVICE I EVER GOT

'A group, when well-managed, can solve a lot of problems'

Shreevar Kheruka, Borosil Ltd



BCG Top 100
Tech Challengers

Gartner Global
5G RAN Vendor

ALL-IN 5G

READY FOR THE WORLD

In line with our vision of connecting the unconnected, STL has been collaborating with global technology leaders to transform billions of lives through open, converged, and secure 5G solutions.

 Optical
Networking

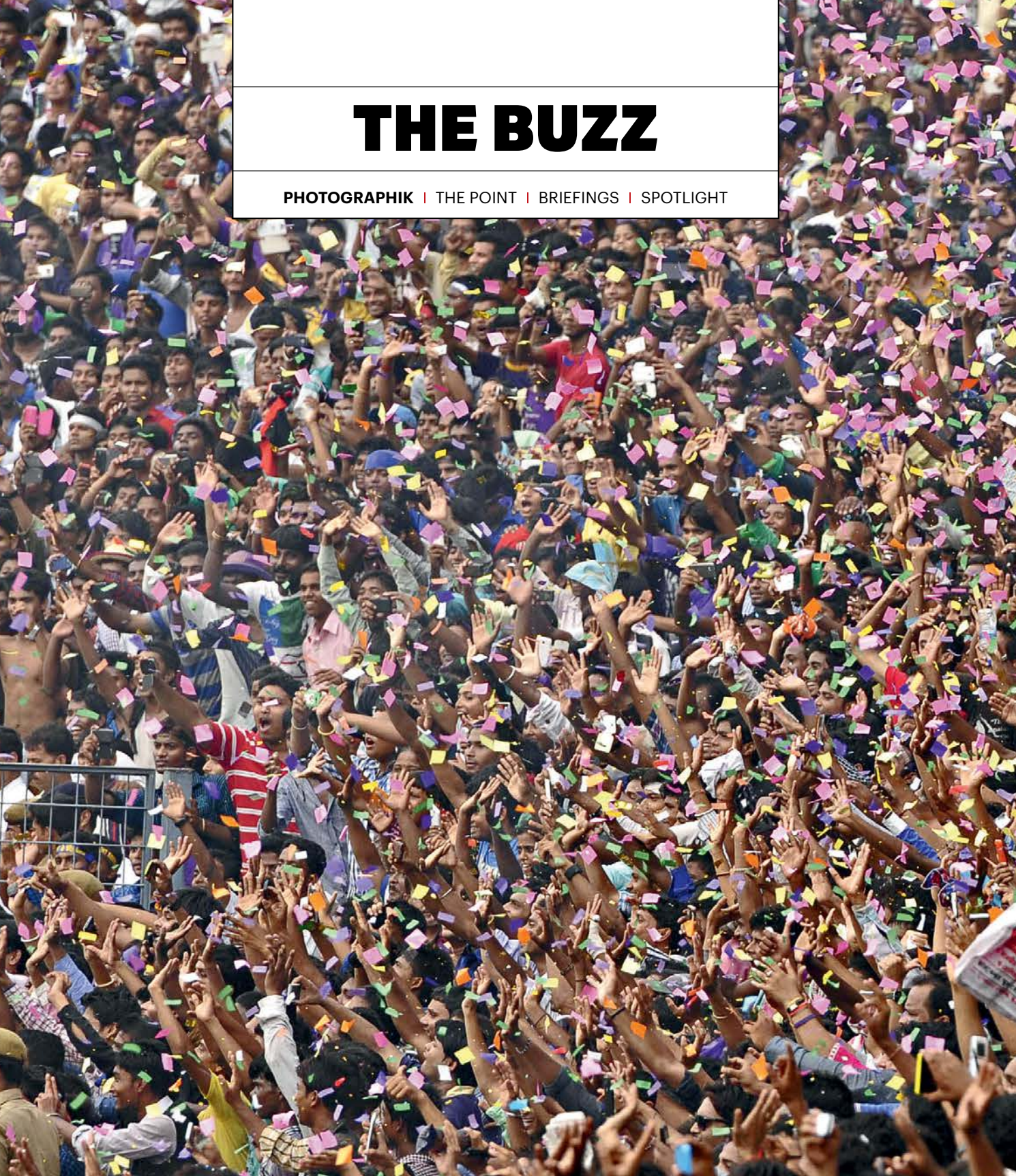
 Wireless
Solutions

 Network
Software

 System
Integration

Sterlite Technologies Limited

stl.tech



THE BUZZ

PHOTOGRAPHIK | THE POINT | BRIEFINGS | SPOTLIGHT

PHOTOGRAPHIK

Photo by **SUBHANKAR CHAKRABORTY** / GETTY IMAGES

Source: iplt20.com

HOWZZAT!

AS MANY AS 600 PLAYERS
WENT UNDER THE HAMMER AT
THE INDIAN PREMIER LEAGUE
2022 AUCTION IN FEBRUARY.
HERE ARE THE NUMBERS



₹552

CRORE

The total amount
spent by the 10
teams at the auction

204

PLAYERS

were sold at
the IPL auction
this year

₹15.25

CRORE

The highest winning
bid, made by Mumbai
Indians for Ishan Kishan

108

PLAYERS

received bids
of ₹ 1 crore
or above

GOING FORWARD, GLOBAL GDP GROWTH COULD BE HAMPERED BY RISING INFLATION AND HIGHER INTEREST RATES

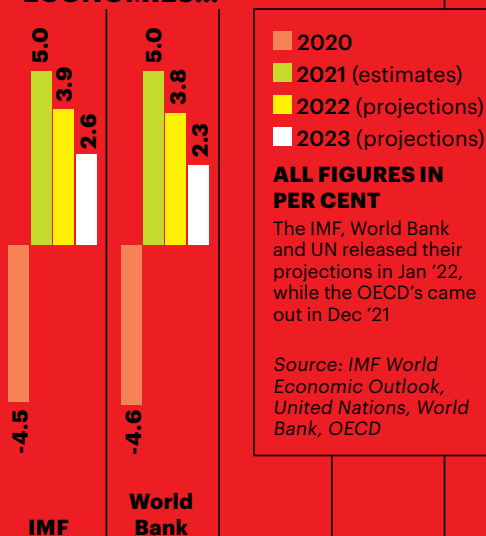
| THE POINT |

THE GDP GROWTH MURAL

By **RAHUL OBEROI**
Graphics by **TANMOY CHAKRABORTY**

Despite Covid, global growth staged a strong recovery in 2021. But the twin factors of resurgence in the spread of the virus and higher food and energy prices could lead to the growth momentum losing steam. What do major global agencies forecast about growth in different parts of the world? Here is the lowdown.

GDP GROWTH RATES ARE PROJECTED TO FALL IN ADVANCED ECONOMIES...



■ 2020
■ 2021 (estimates)
■ 2022 (projections)
■ 2023 (projections)

ALL FIGURES IN PER CENT

The IMF, World Bank and UN released their projections in Jan '22, while the OECD's came out in Dec '21

Source: IMF World Economic Outlook, United Nations, World Bank, OECD

...AS THEY ARE IN EMERGING MARKET AND DEVELOPING ECONOMIES

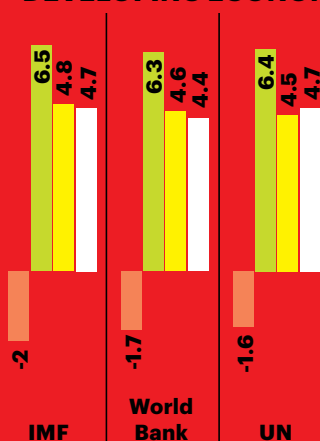
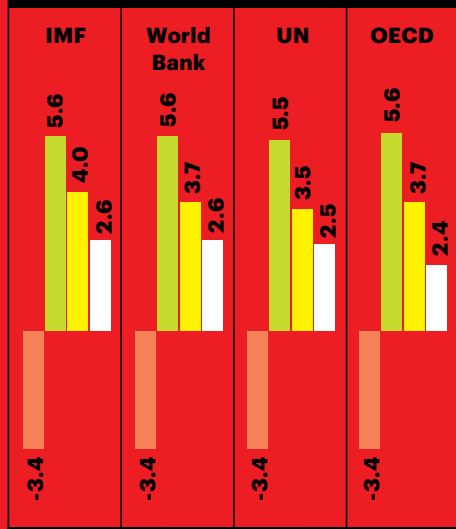


Illustration by **RAJ VERMA**

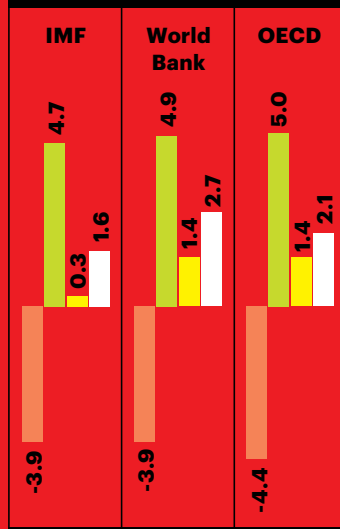


GDP GROWTH PROJECTIONS BY REGION

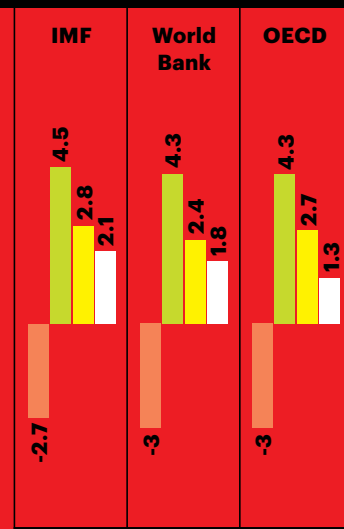


THE US

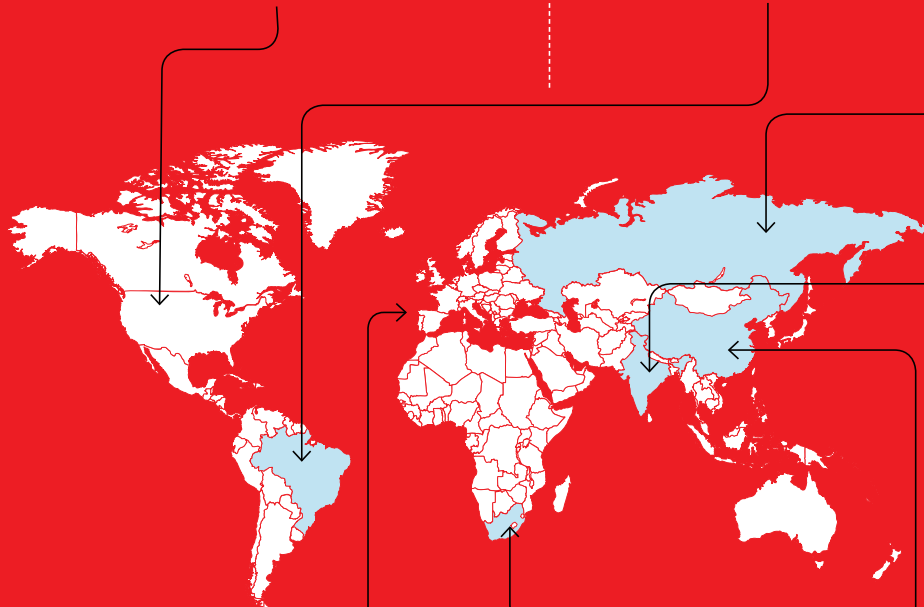
COMPARING THE GDP GROWTH ESTIMATES OF BRICS NATIONS



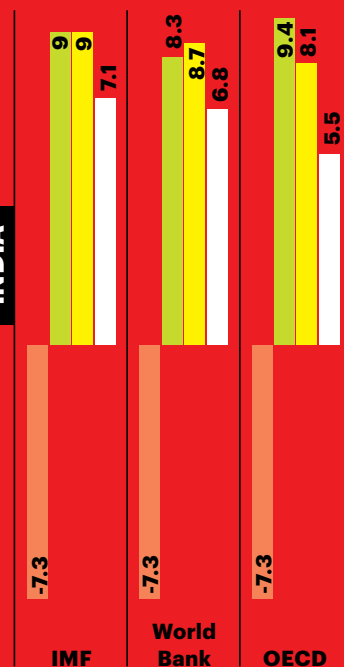
BRAZIL



RUSSIA

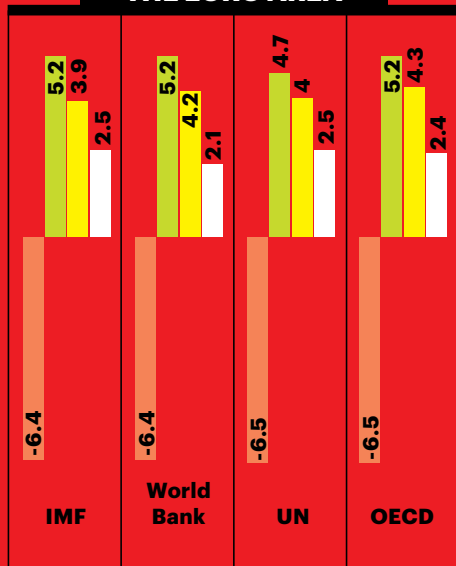


INDIA

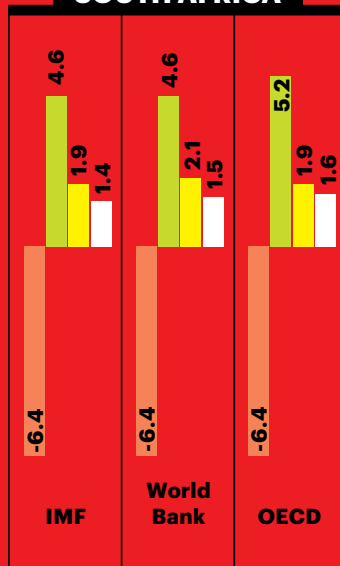


For India, data is for financial year

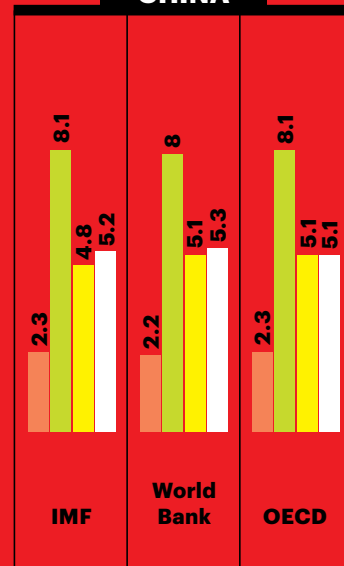
THE EURO AREA



SOUTH AFRICA



CHINA



GOING GREEN

Amid rising geopolitical uncertainty, India took a step towards energy security by announcing the first phase of its green hydrogen policy. The target: produce 5 million tonnes of green hydrogen by 2030. India currently imports more than 80 per cent of its crude oil and 50 per cent of its natural gas requirements. The policy also envisages the country achieving carbon neutrality by reducing CO₂ emissions and creating a robust hydrogen production ecosystem.

—MANISH PANT



22 |

TECH WHEELS

Sunjay Kapoor, President of Automotive Component Manufacturers Association of India, says India's auto industry is headed towards a "collaborate or die" mode. Reason: 80 per cent of the future car will be software-driven (compared to 30-35 per cent today). So, auto part makers and original equipment makers are forging new partnerships—between MG Motor and Jio; Fiat Chrysler Automobiles and Wipro; and Jaguar Land Rover and NVIDIA. This is just the beginning—electric vehicles will only accelerate the trend.

—PRERNA LIDHOO



Disclose to Go Public

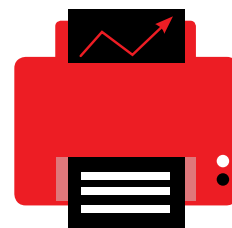
THE SECURITIES AND EXCHANGE BOARD OF INDIA has proposed enhanced disclosure norms for loss-making companies looking to launch an IPO. In a consultation paper, it proposed disclosure of key performance indicators (KPIs) based on which the issue price is decided in case the company is not profitable. The KPIs would be in addition to the current requirement of disclosing traditional parameters like price to earnings ratio, earnings per share and net asset value, among other things. This assumes significance as many well-known but loss-making start-ups are in the pipeline to enter the market through public issues.

—ASHISH RUKHAIYAR

PRINT IS 'IN'

Print advertising is back with a bang. A report by Madison Media shows ad spends in print grew 39 per cent to ₹16,595 crore in 2021 from ₹11,925 crore in 2020. That year, print ads had fallen precipitously by 40.5 per cent from ₹20,045 crore in 2019. Television tops with ₹28,151 crore ad revenue in 2021, with print in second spot, and it is projected to grow by 13 per cent in 2022.

—ARNAB DUTTA

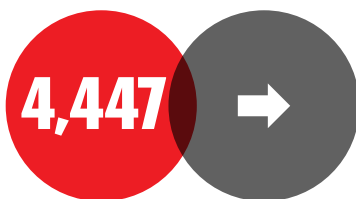
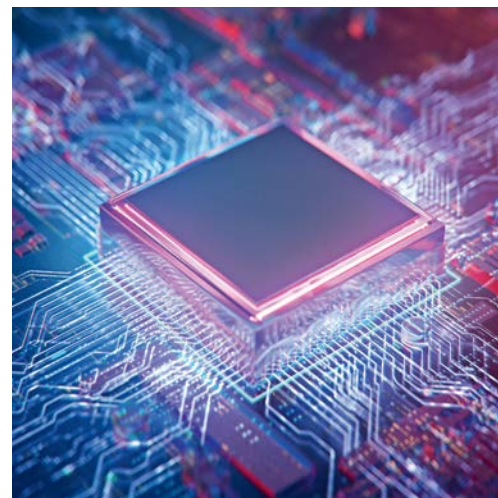


FABS INCOMING

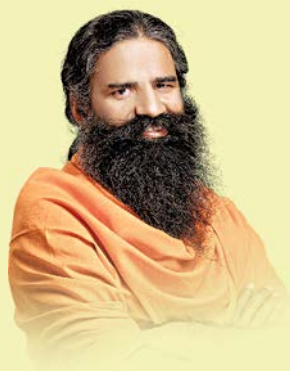
India's decades-long dream of having semiconductor fabs could become a reality soon. The government has received five proposals for semiconductor and display fabs—with total investment nearing \$20.5 billion—plus other proposals for the supporting ecosystem. Singapore-headquartered IGSS Ventures, ISMC and Vedanta (in a JV with Foxconn) have submit-

ted proposals for setting up semiconductor fabs. In addition, Vedanta and Elest have proposed to set up display fabs. For the supporting ecosystem, SPEL Semiconductor, HCL, Syrma Technology and Valenkani Electronics have registered for semiconductor packaging; and Ruttonsha International Rectifier for compound semiconductors.

—NIDHI SINGAL



APPROXIMATE NUMBER OF NUCLEAR WARHEADS WITH RUSSIA AS OF DATE, 1,588 OF WHICH ARE DEPLOYED ON BALLISTIC MISSILES AND HEAVY BOMBER BASES, ACCORDING TO THE BULLETIN OF THE ATOMIC SCIENTISTS



PATANJALI

Prakriti ka Ashirwad

SAY NO TO CHEMICALS Choose Patanjali to get natural cleansing & beauty

Made with Haldi, Chandan, Aloe Vera, Neem, Manjishtha and

80% Natural Ingredients

Use Patanjali Herbal Bath Soap



Free from harmful chemicals

Made with natural herbs

Beneficial in skin problems

Suitable for all skin types

Patanjali Personal Care Range



Aryan Khan (L) and Suhana Khan at the IPL auctions

57

PER CENT

THE NATIONAL INCOME HELD BY THE TOP 10% OF THE POPULATION IN INDIA, SHOWS THE WORLD INEQUALITY REPORT 2022. IT WAS AROUND 56% IN 2014

KNOW YOUR BOTS

Twitter's new feature to self-identify automated accounts as "good bots" will let people differentiate between automated bot accounts and human-run accounts. The automated accounts can add the new label to their account profile, which will help people decide which accounts to follow and engage with. For the bot accounts, the label will increase their legitimacy, and build trust and transparency with their audience.

—NIDHI SINGAL



IPL'S NEXT-GEN BIDDERS

FROM AKASH AMBANI of Mumbai Indians to Kaviya Maran of Sunrisers Hyderabad, to the trio of Aryan Khan-Suhana Khan-Jahnvi Mehta of Kolkata Knight Riders to Parth Jindal of Delhi Capitals, it was the young guns who were seen bidding for players at the high-profile two-day Tata IPL Mega Auction 2022. It looks like the next generation has taken on the baton from their uber-successful parents for this money spinner of a cricketing tournament. — VIDYA S.

NO STOPPING PUSHPA

After setting the big screen on fire with its whopping ₹300 crore-plus box office collection in Telugu and an additional ₹100 crore collected from the dubbed Hindi version, the *Pushpa: The Rise* juggernaut is nowhere near done. The satellite rights are still up for grabs at a time when the fetching price for big budget Tamil and Telugu films have seen a manifold increase. Then, there is the second part of the film which is yet to start filming, for which producers are already reportedly negotiating deals. This picture truly is *abhi baaki hai, mere dost*.

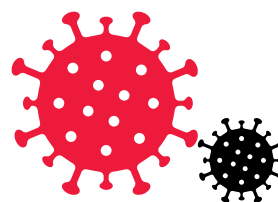
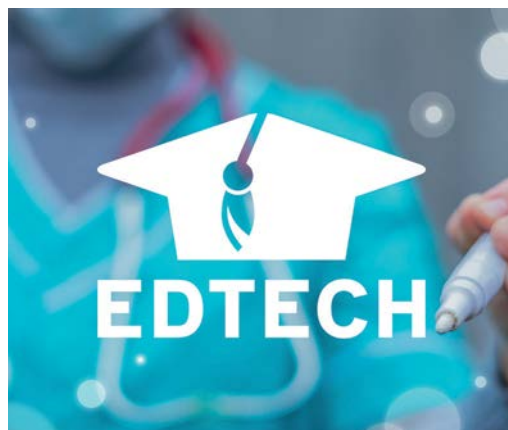
— VIDYA S.



Online to Offline

THE WORLD'S MOST VALUED edtech company, BYJU'S, is now investing heavily in offline tuition centres as it looks to explore opportunities outside its core online offerings. The Bengaluru-based firm will invest \$200 million to open 500 BYJU'S Tuition Centres across 200 cities. It already operates 80 pilot offline centres and targets to enrol over one million students in the next two years. The edtech decacorn (valued at more than \$10 billion) hopes these fully owned and operated centres will help the company tackle the many shortcomings of online-only education models and tap greater growth opportunities before its planned IPO.

—BINU PAUL



NOT ANOTHER WAVE!

India's Covid-19 genomic surveillance committee, Indian SARS-CoV-2 Genomics Consortium, is on high alert. A few cases of people getting infected by both Delta and Omicron variants of Covid-19 have emerged, though health authorities have denied the presence of Deltacron—a single variant that exhibits characteristics of both variants—in India. Deltacron has been reported in the UK, US and Australia. The WHO has confirmed a mutation in omicron and asked countries to be vigilant.

—NEETU CHANDRA SHARMA

An Empty Cockpit

Air India, now owned by the Tata group, has hit an air pocket. **Ilker Ayci**, who was named as MD & CEO of Air India, has declined to take charge of the airline, citing attempts by sections of the Indian media to give a negative colour to his appointment. The top priority for the Tata group now is to get the ailing airline out of the red and a lot depends on finding a person quickly to run it. Will Air India's quest for a captain end anytime soon?

—KRISHNA GOPALAN



QUO VADIS?



THE ANNOUNCEMENT left most within aviation circles in a tizzy. Within days of his business partner Rahul Bhatia's elevation to Managing Director of IndiGo, **Rakesh Gangwal** sent in a tersely worded resignation, saying he wanted to avoid access to any unpublished price-sensitive information as he reduces his stake in the company over five years. Industry insiders say that while Bhatia has effectively managed the policy environment, it was Gangwal who laid the foundation for the market-leading airline. Having earned his stripes in the cutthroat US aviation industry, Gangwal commands tremendous goodwill. The price negotiated by him with Airbus for IndiGo's fleet is reportedly among the lowest globally. Many would now wish that he invests to build another champion airline in India.

—MANISH PANT

Industry insiders say that while Rahul Bhatia has effectively managed the policy environment, it was Rakesh Gangwal who laid the foundation for IndiGo. Many would now wish he invests to build another champion airline in India

Friendly Crypto-Man

Warren Buffett's Berkshire Hathaway has invested \$1 billion in Nubank, one of Brazil's largest fintech banks. Yawn, right? Well, Nubank's investment unit NuInvest facilitates investments in cryptocurrencies and Bitcoin ETFs, a category of investments derided by both Buffett and his partner Charlie Munger—Buffett once called Bitcoin “rat poison squared”, and Munger likened cryptos to venereal disease. Did something just change?

—TEENA JAIN KAUSHAL



FOOD FOR THOUGHT



Founders of listed start-ups are starting to realise that the public market is a tough nut to crack. On November 16, 2021, Zomato founder **DEEPIK GOYAL** (in picture above) held shares in his company worth ₹6,248 crore. Three months later, the recent stock market weakness has sent that value plunging by ₹3,440 crore to ₹2,808 crore (as on February 15). Private valuations probably seem like a happy dream now.

—ASHISH RUKHAIYAR

NEXT STOP, OLYMPICS!

IT WAS IN 1983 that the **International Olympic Committee (IOC)** last held its high-powered meeting in India. So, the decision to award it to Mumbai for next year's session is a significant breakthrough, thanks to India's IOC member **Nita Ambani's** efforts. **Jio World convention centre** will play host to 101 voting members and 45 honorary members.

—KRISHNA GOPALAN



The 'First' Lady

Madhabi Puri Buch, the new Chairman of the Securities and Exchange Board of India (Sebi), has racked up quite a few firsts to her name. She is, of course, Sebi's first female chief; she was the markets regulator's first woman Whole-time Member, between April 2017 and October 2021; and the St. Stephen's College and IIM Ahmedabad alumna is the first non-bureaucrat Sebi chief since G.N. Bajpai was appointed in 2002. Will her three-year stint see more firsts at Sebi?

—ASHISH RUKHAIYAR





WAR ZONE A Ukrainian police officer stands in front of a damaged residential block hit by a missile on February 25 in Kyiv

26 |

Bracing for Impact

The Russian invasion of Ukraine has already creaked the world's economy, and has the potential to do more damage if it doesn't end quickly

BY MANISH PANT AND TEAM BT

ON FEBRUARY 24, when Russian forces launched a war on neighbour Ukraine, it actually escalated an eight-year stalemate that commenced with Russia reclaiming the Crimean Peninsula in March 2014 to undo what it describes as a Soviet-era injustice. As news of the Russian move trickled in, stock markets tanked globally and in India. Oil & gas, metals, telecom and realty indices were the worst hit on Indian exchanges.

Of particular concern is the possibility of crude oil touching the 2008 high of more than \$140 a barrel (currently Brent crude is at around \$100-plus levels). India is the third-largest importer of crude after China and the US; crude accounts for 20 per cent of

the country's total import bill. India paid \$82.4 billion for crude oil imports in the nine months through December 2021, a 108 per cent rise over \$39.6 billion paid over the same period in 2020. "Currently, the Ukraine crisis and its implications for crude have emerged as a key risk for [India]," says Dharmakirti Joshi, Chief Economist, CRISIL Research. "It will bloat the current account deficit (CAD), trim GDP growth and push inflation up, and the quantum of impact will depend on how high crude prices go and for how long they stay elevated."

Economists say the main impact will be on CAD and inflation. "If crude imports average \$100 a barrel through FY23, CAD could rise to 2.3-

2.5 per cent of GDP," says Aditi Nayar, Chief Economist, ICRA. "The impact on inflation will depend on when and by how much retail selling prices [of fuel] are hiked, and whether excise duty is cut to absorb a portion of the pain." Adds Madan Sabnavis, Chief Economist, Bank of Baroda: "We must remember that the government has desisted from any increase in retail prices of fuel products ostensibly due to the ongoing state elections, which was before the conflict ensued. There was a strong case for increasing rates even with there being no war-like situation."

Strengthening crude oil prices may impact sectors such as aviation, paint, tyre and oil marketing companies, while oil exploration companies may get some benefit, as might export-oriented sectors such as IT and pharmaceuticals, since higher oil prices will put pressure on the currency.

POST-COVID DISRUPTION

Concerns emanating from the Russian military action immediately put the Indian markets on tenterhooks. "The world can ill-afford further disruption in trade and commodities

PHOTO BY CHRIS MCGRATH/GETTYIMAGES

when Covid-19 has already weakened sovereign balance sheets,” says Amar Ambani, Head of Institutional Equities, YES Securities. “We were already witnessing a consolidation since mid-October 2021 due to lack of fresh triggers. The Russia-Ukraine issue added a negative trigger to the existing overhang of the US Fed likely raising rates in March 2022.”

The geopolitical uncertainty coupled with the likely slowdown in the global economy and high inflation could lead to a major spike in gold prices, as central banks are left with limited legroom to raise interest rates. “We expect gold prices to shoot up and test levels of ₹54,000-₹55,000 this year, and ₹60,000-₹62,000 next year. So, on average, gold will go up at least by ₹10,000 in the next two years,” says Kunal Shah, Head of Commodities Research at Nirmal Bang.

Another area that may be impacted is defence cooperation as Russia is India’s largest supplier of weapons. A 2021 working paper released by Stimson Center, a US-based non-profit think tank, revealed that over 80 per cent of equipment and platforms in service with the Indian military were of Russian origin.

Day one of the conflict also witnessed 8 per cent of cryptocurrencies’ market capitalisation of \$1.59 trillion being wiped out. Vikram Subburaj, CEO of Giottus Crypto Exchange, believes the current crisis presents an opportunity to invest in cryptocurrencies at a lower price. “While there is a possibility of further decline, the asset class is expected to absorb large volume buys beyond another 20 per cent drop. When the pandemic hit, we witnessed one of the biggest crashes in stocks and crypto. However, both assets recovered to new all-time highs in the next 18 months.”

Researchers at crypto exchange CoinDCX believe that while crypto has historically moved inversely to traditional markets, this trend of it mirroring the market sentiment could indicate that the asset class is maturing. Moreover, the freezing

of a substantial part of the Russian central bank’s \$630-billion foreign exchange reserve stockpiles overseas together with the country’s expulsion from the financial messaging service SWIFT could give a boost to cryptocurrencies. “Cryptocurrencies like Bitcoin may get stronger on the back of economic sanctions on Russia. This would lead to the US dollar further losing its position as a global tender,” defence expert and commentator, Group Captain August Maliakal, told *Business Today*.

SEMICONDUCTORS, PHARMA AND MORE

Russia and Ukraine are both suppliers of raw materials used in semiconductor manufacturing. Russia is the leading producer of palladium, essential for memory and sensor chips. It also produces several other key raw materials for computer chips, including the rare-earth metal, scandium. And Ukraine is a leading exporter of highly purified neon gas that is used in etching circuit designs into silicon wafers to create chips. But experts are hopeful of minimal impact. “The semiconductor supply chain is largely in Asia and the US; so, it may not see a major impact in the short run except for the

negative sentiment any war naturally fosters. A long-duration conflict and a widening of the war could, of course, have far more serious consequences,” says P.N. Sudarshan, Partner & Technology, Media and Telecommunications (TMT) Industry Leader, Deloitte India.

Meanwhile, the Indian automobile sector, the world’s fifth-largest, is keeping a close watch on the developments in Ukraine. “The industry was hoping to recover from the pandemic-led demand suppression, as well as positive signs [were] visible on the semiconductor issue. This prevailing situation may lead to some adverse effects in the short term,” says Rajat Mahajan, Partner, Deloitte India. “It may increase commodity prices, especially in metals like copper, palladium (used in automotive exhaust systems) and others, leading to higher costs for the original equipment makers (OEMs).”

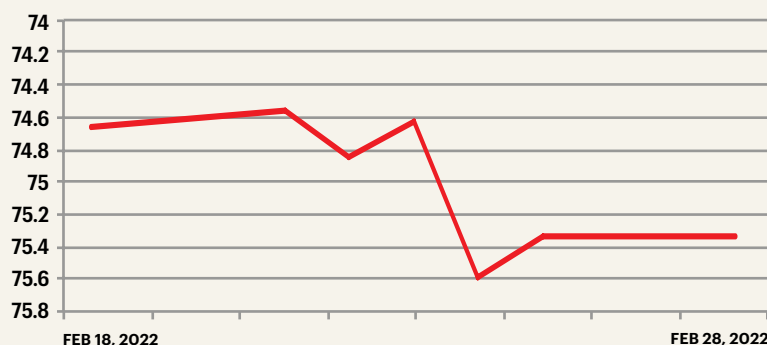
The Indian pharmaceutical industry is worried, too. According to the Pharmaceuticals Export Promotion Council of India (Pharmexcil), India exported over \$181 million worth pharmaceutical goods to Ukraine in FY21, growing nearly 44 per cent over FY20, while exports to Russia were

| 27



CONFLICT LEADS TO FALL IN RUPEE

The spot rupee declined nearly 100 paise against the US dollar on February 24

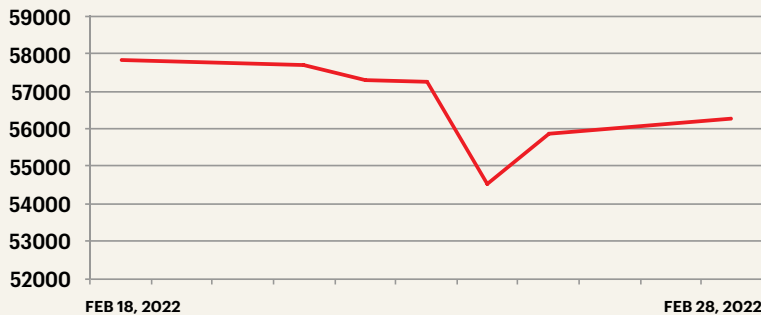


SOURCE CMIE ECONOMIC OUTLOOK



SENSEX GETS THE SHIVERS

The index fell 2,702 points on February 24 after Russia launched an attack on Ukraine

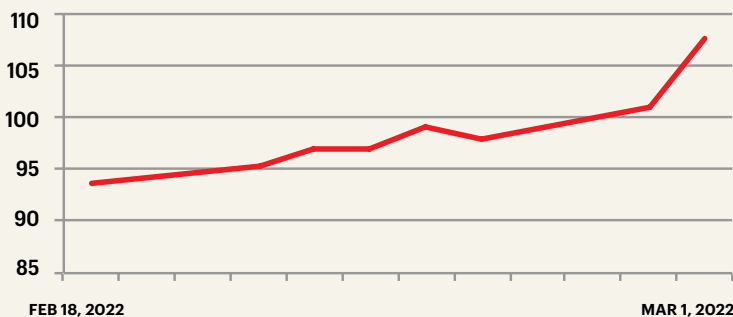


SOURCE ACE EQUITY



OIL PRICES SURGE

Crude prices have jumped since the conflict began, hitting \$107.43 on March 1

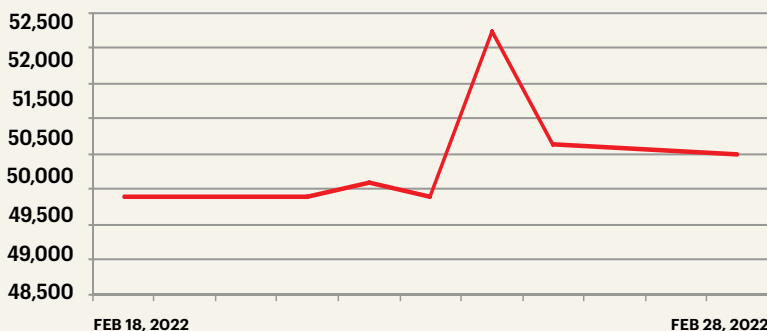


PRICE OF BRENT CRUDE AT \$ PER BARREL AT CLOSE OF TRADE;
SOURCE INVESTING.COM



GOLD SHINES BRIGHT

The price of gold rose nearly 5 per cent on February 24 after the conflict started



AHMEDABAD SPOT PRICE IN ₹ per 10 gm; **SOURCE** MCX

nearly \$591 million in FY21, with YoY growth of 6.95 per cent.

A majority of domestic players do business in both countries, including Dr. Reddy's Laboratories and Sun Pharma. "We have had a strong presence in the region for over three decades. Ensuring the well-being of our staff is the first and foremost priority, along with meeting patient needs and business continuity. We have been monitoring developments closely and preparing accordingly," a spokesperson for Dr. Reddy's told *BT*.

Exports of tea—incidentally called *chai* in both Russian and Ukrainian—may also face a challenge. Russia is one of the biggest importers of Indian tea with a share of 18 per cent in Indian tea exports. "The Russian market is crucial for Indian tea exports given the fact that Iran shipments continue to be plagued by payment issues, which have resulted in drastic fall in export volumes," says Chinmoy Dhar, Secretary, India Tea Association.

There is some bad news for health-conscious Indians, as the country depends almost totally on Ukraine and Russia for sunflower oil imports. In 2020-21, India imported 1.9 million tonnes of crude sunflower oil, of which Ukraine accounted for 1.4 million tonnes. The rest came from Russia. Sudhakar Desai, president of the Indian Vegetable Oil Producers' Association, says, "Currently, India has stocks that could last until end of March... An alternative solution is to divert supply from Argentina or other places to meet demand. We could also look at replacing sunflower oil with palm, mustard, soya oil, etc."

In case Russia and Ukraine do not arrive at a resolution soon, there is a possibility of the conflict spilling beyond the region. And that would be bad news for businesses. But whether or not the conflict prolongs or ceases quickly, it might have fast-tracked a chain of events that redefines geopolitics for the long term in the 21st century. **BT**

@manishpant22, @business_today



SERVICIOS
Dry Cleaning & Laundry



RAPIDO
Express Services



COBBLER
Shoes, Bag Care



PIEL
Leather Care



HAUTE COUTURE
Designer Wear Care



TAPIZ
Upholstery Care



TOKE
Darning & Alteration



PICKMEUP
Pick Up & Delivery
7208972777

www.prestoindia.com | Contact 9167188355



30 |

UNDER THE SCANNER Former NSE MD & CEO Chitra Ramkrishna

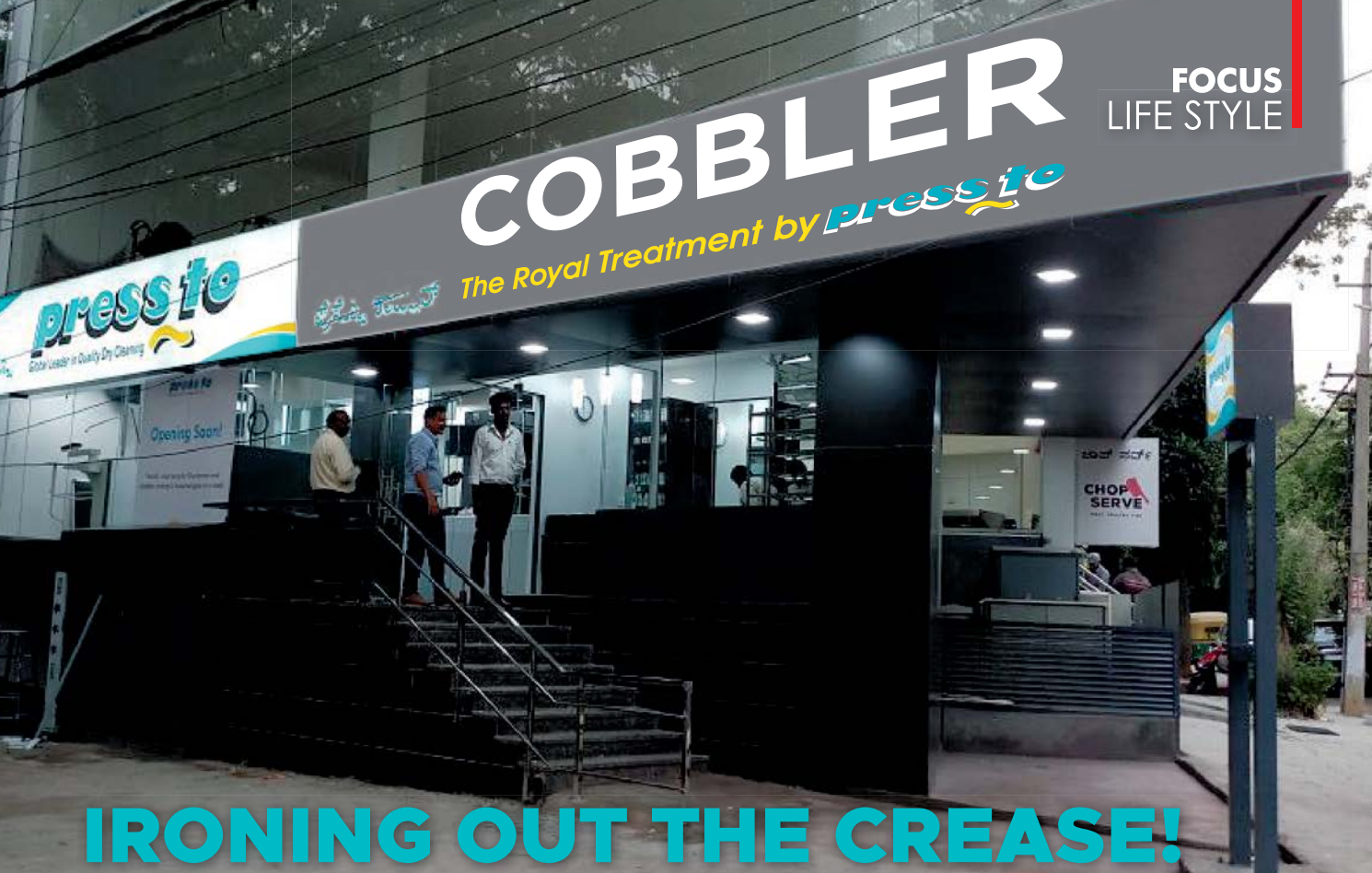
A HIMALAYAN SCANDAL

Former NSE Managing Director & CEO Chitra Ramkrishna may well be in the news for alleged wrongdoings and her links with an “unknown person”. But questions must also be asked of market regulator Sebi for the systemic lapses

BY ASHISH RUKHAIYAR

A LENGTHY ORDER from capital markets regulator Securities and Exchange Board of India (Sebi) is nothing new. The watchdog also has a history of issuing important orders late on a Friday night when most people are looking forward to the weekend. So, when a 190-page order was released late on February 11 against the National Stock Exchange (NSE) and its former honchos Chitra Ramkrishna and Ravi Narain, and an individual named Anand Subramanian, it was assumed to be important. And indeed it was. The order laid down intricate details about how Ramkrishna, who was the MD & CEO of NSE from April 2013 to December 2016, flouted norms to recruit Subramanian at an exorbitant salary—when compared to his then prevailing compensation—and practically made him her second-in-command.

There was, however, another element that was equally important but more mystifying than Subramanian's appointment, and which has hogged the limelight ever since. The Sebi order mentioned the term “unknown person” nearly 240 times and, on a few occasions, based on Ramkrishna's



FOCUS
LIFE STYLE

IRONING OUT THE CREASE!

She is an epitome of grace and stickler for turning out well-groomed, etiquettes that have been converted into an evolving and new vertical in the grooming industry. Ms Esther Lennaerts, Founder & Executive Director of Press 2 Dry Cleaning and Laundry Pvt. Ltd, established in 2007, is successfully operating high quality Dry-cleaning and Cobbler services through 41 plus signature stores in India, with passionate leadership, analytical and project management skills.

In 2003, the young Dutch bride as she walked down the aisle to be married in Goa was unaware, that one day, she would be break the glass ceiling in one of the most unlikely business of establishing a high-end dry cleaning and cobbler services. She built the enterprise from a concept to a flourishing business with her unique persona and professional experience.

Today, People are more conscious and aware as to what to wear and look for services that can handle their expensive attires with more sensitivity. Esther knew this is where lies the gap providing an opportunity to start a business with commitment and use of technology. She established a business model based on concepts of Flagship Store.

Pressto creates and innovates constantly, looking for what sets them apart from competition and run of the mill services. Conscientiously, Esther built a brand image of Pressto offering a one-stop hub offering a wide range of services to its client ranging from the usual dry cleaning to laundry services with advanced technologies such as dry cleaning, shoes and leather cleaning with international standard machines and products.

The cleaning processes are tailored to the



ESTHER LENNAERTS,
Founder & Executive Director,
Press 2 Dry Cleaning & Laundry Pvt. Ltd.

markets and adapted to the different systems uses.

Going several notches above to offer quality services and to go green, Pressto is using eco-friendly materials such as biodegradables packaging material.

Esther continues her passionate indulges in Pressto, dogs, cats, environment.

You can avail Pressto dry-cleaning service across Mumbai, Delhi, Gurgaon and Bengaluru. Cobbler by pressto service in Mumbai at Nepeansea and Prabhadevi, in Bengaluru at Indiranagar, Koramangala and Whitefield.

For more details:

Contact: 9167188355

Website: www.prestoindia.com

submission, stated the entity was a yogi or a spiritual being who “dwelt in the Himalayan ranges”. Now, spiritual babas and yogis are not uncommon in India, especially those who draw devotees from the political milieu. But this was perhaps the first time that an order from Sebi stated that a stock exchange honcho was allegedly sharing confidential information with a Himalayan yogi.

Ever since, public discourse of this “spiritual force” has effectively dwarfed the larger issue of how a scam or fraud of such magnitude was perpetrated at India’s biggest bourse—and the world’s largest derivatives exchange, which itself is a first-level regulator and is, at the same time, tightly regulated by Sebi.

Scam or Scandal?

Subramanian was brought on board at NSE in April 2013 and Sebi was, informally, well aware of his appointment. More importantly, the regulator received complaints in December 2015, but it was only in October and December 2019 that show-cause notices were issued to NSE, Ramkrishna, Subramanian and others. That was late. Ramkrishna had moved out of the exchange in December 2016, even getting monetary benefits of ₹1.54 crore for her “sterling contribution to the growth of the organisation” (although another component was retained by NSE), and Narain and Subramanian exited in June 2017 and October 2016, respectively.

Prior to joining NSE, Subramanian was working with a subsidiary of Kolkata-headquartered PSU Balmer Lawrie, where his annual package was less than ₹15 lakh. Ramkrishna hired him at NSE in 2013 at ₹1.68 crore, which zoomed to ₹4.21 crore in 2016. By then, he had risen to the post of ‘Group Operating Officer and Advisor to MD’. His perks, entitlements and work terms—four days a week in office only, etc.—also showed that he enjoyed unusual privileges. While there are various theories about Ramkrishna’s equation with Subramanian, the fact is that his wife Sunitha Anand was a good friend of Ramkrishna’s. Interestingly, Sunitha, who worked at NSE’s Chennai office, also saw her



HIDES MORE THAN IT REVEALS

- ▶ Did Sebi put in full efforts to find the identity of the “unknown person”?
- ▶ Why was any external agency not involved in unearthing the identity of this individual?
- ▶ With email ID and interactions available, why was the Cyber Crime Cell of Mumbai Police not involved?
- ▶ Were the salacious details necessary to be included in the order?
- ▶ What was the intent behind mentioning irrelevant or immaterial facts?



RED FLAGS IN NRC REPORT

- ▶ NSE’s NRC submitted a report to Sebi in 2017
- ▶ Anand Subramanian was offered the role of Chief Strategic Advisor with effect from April 1, 2013
- ▶ Only Chitra Ramkrishna interviewed Anand Subramanian
- ▶ No noting in personnel file of Anand Subramanian regarding his interview
- ▶ Chief Strategic Advisor’s post was not advertised; no other person was considered either
- ▶ Anand Subramanian’s previous experience was not relevant to the role of Chief Strategic Advisor

Source: Sebi



PENALTY & RESTRAINT

- ▶ Chitra Ramkrishna and Anand Subramanian cannot work with any Sebi-regulated intermediary for three years
- ▶ NSE cannot launch any new product for six months
- ▶ Ravi Narain barred from working with any Sebi-regulated intermediary for two years
- ▶ Monetary penalties imposed on NSE, Chitra Ramkrishna and Anand Subramanian
- ▶ NSE ordered to forfeit certain perks that it withheld from Chitra Ramkrishna

Source: Sebi



THE UNKNOWN PERSON

- ▶ Sebi order mentions “unknown person” nearly 240 times
- ▶ EY forensic audit report states Anand Subramanian is the unknown person
- ▶ Sebi differs with EY report’s finding on identity of the unknown person
- ▶ Sebi probe finds that Chitra Ramkrishna shared confidential information with this unknown person
- ▶ Chitra Ramkrishna’s submission to Sebi states that the unknown person is a yogi (a spiritual entity) in the Himalayan ranges

Source: Sebi



READ CREDIBLE,
EXCLUSIVE, AND
INSIGHTFUL
BUSINESS
STORIES

Subscribe and get upto 55% discount*

YES! I WISH TO SUBSCRIBE TO BUSINESS TODAY

Please tick your subscription choice and send the form to: We Care, Living Media India Limited, C-9, Sector 10, Noida-201301 (India)

TERM-1 YEAR NO. OF ISSUES-26*				
PLAN	COVER PRICE	OFFER PRICE	SAVINGS	SELECT
PRINT ONLY	₹ 3900	₹ 2999	23%	☐
PRINT + DIGITAL	₹ 7800	₹ 3499	55%	☐

Please fill the form in CAPITAL LETTERS

I am enclosing Cheque/DD No.: _____ dated: _____
drawn on (specify bank): _____ favouring Living Media India Limited for
₹ _____ (Add ₹ 50/- for non Delhi cheques, not valid in case of at par cheques)

Name: _____ Address: _____
City: _____ State: _____ Pin: _____
Mobile: _____ Email: _____



SCAN HERE TO SUBSCRIBE

FOR MORE DETAILS ON THE OFFER, YOU MAY CONTACT THROUGH BELOW OPTIONS



CALL us on Toll Free No. 18001800100
and (0120) 4019500



E-MAIL
wecare@intoday.com



LOG ON TO
www.businesstoday.in

compensation more than double from ₹60 lakh in 2013 to ₹1.34 crore in 2016.

And what of the yogi? As per Sebi's order, there are various email interactions between Ramkrishna and this yogi wherein information of all kinds have been exchanged, including "organisational structure, dividend scenario, financial results, human resources policy and related issues, response to regulator, etc." Incidentally, a forensic audit report by consultancy major EY stated that Subramanian was himself the "unknown person", but Sebi's Whole-time Member Ananta Barua, who penned the order, wrote that the evidence on this count was inconclusive. Hence, the regulator went ahead with the "unknown person" theory.

"The Sebi order is inconclusive and does not bring anything to closure," says Shriram Subramanian, Founder & Managing Director of InGovern, a proxy advisory firm. "Sebi found that confidential information was shared with outsiders, KMPs were appointed without due process being followed and the integrity of the exchange was compromised. Yet, the quantum of penalties imposed are ridiculously low for the gravity of the matter. Sebi has not achieved anything with this order as there is nothing to deter such wrongdoings in future." Ramkrishna has been penalised ₹3 crore while NSE, Narain and Subramanian have been docked ₹2 crore each. NSE has also been directed to forfeit ₹4.37 crore—a part of which was paid to Ramkrishna when she resigned.

Meanwhile, the recent past has seen various investigative agencies enter the fray with the Central Bureau of Investigation (CBI) questioning Ramkrishna, Subramanian and Sebi officials as well. Meanwhile, Income Tax officials have been conducting searches at places linked with the duo and also with Narain. On February 25, Subramanian was arrested by the CBI and sent to custody till March 6 in connection with a co-location scam that happened at the NSE in 2010-11. (Some brokers were allegedly given

preferential access to NSE's servers, to give them an advantage in trading.)

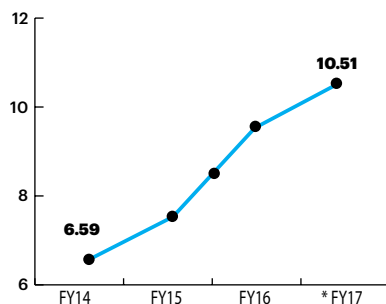
Systemic Failure?

Industry veterans believe that more than the salacious details in the order, the callous attitude of the regulator will be long remembered—systemic issues, if not nipped, could lead to recurring scams, along with low corporate governance levels in regulated entities. They further add that the 190-page order of Sebi has actually been weakened by including many unnecessary details, hinting specifically towards some of the email exchanges between Ramkrishna and the "unknown person".

MONEY MATTERS

Annual compensation in ₹ crore

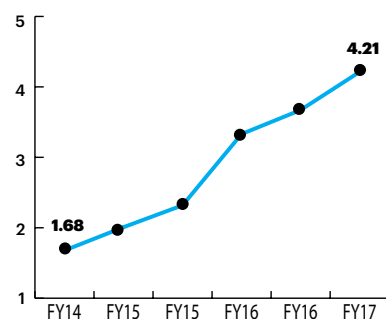
Chitra Ramkrishna



SOURCE: SEBI
* TILL DECEMBER 2, 2016

Anand Subramanian

Fiscals repeated since he received salary hikes twice in a financial year



SOURCE: SEBI

"From a regulatory point of view, there are only two to three key aspects that need to be focussed on in this particular matter. Did [Ramkrishna] act in accordance with the law, rules, etc.? The answer is no. What was the consequence of her not acting in accordance with the rules? Any adverse impact on the exchange functions? And, if yes, then has it taken any corrective measures? What action should be taken?" says J.N. Gupta, Founder, Stakeholders Empowerment Services, and a former executive director of Sebi. "As far as the subject of the 'unknown person' is concerned, more than the advice giver, the person who acted on the advice is responsible. As regards his identity, it has to be a separate investigation and would be relevant only if the person was a powerful person not in the spiritual sense, but in reality."

Many in the markets also feel that the Sebi order hints at favouritism, and that NSE has been given a long rope even as various wrongdoings, including the co-location scam, have been unearthed at the bourse. "With the NSE order, I now believe Sebi's actions have been partisan, devastating and with a don't-care attitude towards investors," says Manish Kumar, Co-founder, Grex and RealX. Kumar had a long run-in with Sebi when he was trying to set up Grex as a start-up funding platform many moons ago.

"When I read about their orders in other cases, I see the same modus operandi—stop operations all of a sudden, and the entity will crumble automatically. This is unfair, autocratic and undemocratic, and must stop. Ironically, Sebi was created for investor protection, but in case after case we have seen that they simply issue stop or shutdown-like orders instead of focussing on correction and continuity, destroying enormous investor wealth on the way," says Kumar.

An email sent to Sebi by *Business Today* remained unanswered till the time this article went to press. **BT**

@ashishrukhaiyar



Dr. Piyush Dwivedi
CMD, NGE Ltd

Energising Green Energy Sector for Eco-Swach Bharat

the aim to identify and give momentum to build infrastructure for manufacturing and distribution of clean fuels like Green Diesel, CBG, bio coal etc. CBG is an alternate substitute of the imported CNG. Reports say that India has the potential to produce 62MMT of CBG per annum and to exploit this possibility, the Government is offering subsidy of upto Rs 4 Crore to entrepreneurs starting CBG Production Units. Government directive have been issued to use bio-coal for co-burning with normal coal in thermal power projects etc., for which private entrepreneurship was being encouraged to meet the sustainable energy goals of the country. Clear directives have also been issued by the regulators for approvals required to open CBG/Green Diesel Retail outlets.

Subsequently, NGE Ltd., ventured into production of clean fuels CBG/Green Diesel at multiple locations along with its franchise partners for the sale of CBG to its retail outlet franchise. The company aims to create an overwhelming 10000 entrepreneurs by providing selective ownership and assured earning through Franchise Opportunities to applicants and over 1.5 lakh job opportunities for the youth. In accordance to the norms, NGE Ltd., is building a network of 1000 CBG Production Projects & 1000 CBG/Green Diesel Retail Outlets by the management team, who are longstanding experience in Oil and Gas, Project Execution, Plant manufacturing, Marketing and Retail. The team is fired with the passion to drive and innovate the future energy needs in an environmentally sustainable manner resulting in NEL becoming the most preferred one-stop destination for all the clean alternate energy requirements. It has plans to become a global company in the manufacturing and distribution of alternate and clean energy.

NGE Ltd., is set to revolutionize the increasing energy demands with the use of cutting-edge technology, its experience in the industry and innovation by diversifying into CNG/CBG Production, CBG Retail Outlets, Green Diesel Production, Green Diesel Retail Outlets, Bio Coal, EV Charging, etc. The current projects and services on offer for entrepreneurs are CNG/CBG Production Project, Green Diesel Production Project, CNG/CBG Retail Outlet, Green Diesel Retail Outlet and EV Charging Station. NGE Ltd., hand-holds entrepreneurs until they are educated about every aspect of running the business.

Dr. Piyush Dwivedi, CMD, NGE Ltd., is a strong advocate of renewable energy for converting waste to wealth. With his entrepreneurial skills, he has created a unique business model for setting-up a nation-wide network of CBG production and distribution earning him the moniker "CBG Man". He has aligned his vision to give momentum to campaigns such as Swachh Bharat, Make in India and Vocal for Local for an Atmanirbhar Bharat. From humble background, Dr. Dwivedi puts in 16 grueling hours daily attending to things close to his heart that includes consumer needs, increase farmers income, create jobs, reduce carbon footprint, encourage organic farming and a host of other initiatives that makes the company one-of-its-kind in its sector.

As the fastest growing economies of the world makes India one of the largest fuel consumers to propel its ambitious economic goals increasing its reliance on fuel import at steep prices. This is not only drain on the government coffers, but makes India vulnerable to fluctuating fuel pricing and dents earning capacity from foreign exchange. In response to this adverse impact, the Government of India introduced Biofuel Policy in 2018 with

Our most Coveted **MDRT** Members

FROM GRIT TO GLORY

Meet TATA AIA's Super Achievers

We all have a superhero within us waiting to come to glory. The road to excellence is paved with grit, continuous improvement approach and passion to succeed. The talent of TATA AIA Life Insurance echoes this very sentiment and works tirelessly to sharpen their industry know-how, enhance service factor and achieve global certifications. Qualifying for the prestigious Million Dollar Round Table (MDRT) membership is one such glory.

Globally, MDRT membership is recognised as the standard of excellence in life insurance and financial services business. Becoming an MDRT is a matter of pride and honour for a life insurance professional. TATA AIA is proud of the fact that the organisation has the distinction of bagging 127 MDRT Qualifiers in Direct Sales Force Channel.

We congratulate these 28 employees of TATA AIA for reaching gold standards of sales excellence in the life insurance and financial services industry for their stupendous performance in the month of Dec 2021.



THILLAI E KANNAN, Chief Key Relationship Manager, Chennai

Thillai, is a 5-time MDRT qualifier. A Chief Key Relationship Manager from Chennai, he believes in the power of honesty, authenticity & offering need-based solutions to customers. His consistency in his performance is possible as he believes in professional approach to his HNI and super HNI customers. He is a master in relationship handling and portfolio management for his clientele.

NARENDRA PRADHAN, Sales Manager L1, Bangalore

Narendra has been in the insurance & banking sector for 10 years now and this is his fourth time as an MDRT member. He has a client base of 50 HNI and super HNI customers and focus on providing extraordinary services like portfolio and asset management service. He is on a mission to achieve COT



MADHUMITA SANKAR BOSE, Sales Manager L1, Siliguri

Madhumita from Siliguri has been associated with Tata AIA for 4 years and has 500 clients. This is her third time as a MDRT member - a feat achieved by doing need-based sales to customers. Her success mantra is "right sale in the right way with the right product knowledge".

AMRITA SUCHA SINGH, Key Relationship Manager, Delhi

In her 3.5-year association as a key relationship manager with Tata AIA, Amrita has been an MDRT member twice. Her 500-strong client base comprises both HNI and retail customers. Her mission is to achieve COT in 2021 and TOT in 2022. Towards this mission her success mantra is "disciplined sales by using efficient sales tools and diligent follow-ups".



Our most Coveted **MDRT** Members



LOGENDARAN S, Sales Manager L1, Trichy

Logendaran S, our Sales Manager in Trichy has bagged the membership for the 2nd time in a row. He believes, it was need based product pitching with right product knowledge that helped him get the coveted certification. In his 10-year association in insurance industry, he's managed 300 clients. He achieved this by keeping customer centricity as his focus.

JAHNABI HARENDRA PATHAK, Sales Manager L1, Guwathi

In an association spanning over 7 years, Jahnabi has been an MDRT member twice. Her mantra for success is to believe in herself, sell ethically and leverage the full potential of brand Tata for her almost 400 clients.



KUNDANKUMAR ASHWANIKUMAR ROY, Sales Manager L1, Pune

KundanKumar achieved his second consecutive MDRT membership in his 4-year tenure. Lead Management and Reference Management were two tools that he leveraged to reach the goal. The timely services to customers on claim services helped him win over the customers' hearts. 'Focus and dedication towards the goal' is his success mantra.

ASHWIN KANTILAL PARMAR, Sales Manager L2, Mumbai

Ashwin has bagged his 2nd MDRT membership, that too in a short span of 2 years only. His mission is to provide timely best services to all his customers. His positive approach along with professionalism paved way for his success.



NAVIN GAJENDRABHAI KAMLE, Sales Manager L1, Ahmedabad

Navin has bagged his 2nd MDRT membership in an association of 5 years with TATA AIA. A discipline work approach helped him turn efforts to outcomes. This dream recognition can be attributed to a determined attitude and in-depth product knowledge.

KAMESH PAPAIAH DUNNA, Key Relationship Manager, Hyderabad

For Kamesh, this is a second consecutive MDRT membership in his 5-year tenure. He aims to grow his existing base organically through reference collection from satisfied customers and enhanced focus on super HNI clientele. He is an expert in providing extraordinary services to the Doctor fraternity.



MADANRAJ MURUGANANDAM M, Sales Manager M1, Bangalore

MadanRaj, this is a second consecutive MDRT membership in his 4-year experience. His guiding mantra continues to remain "Believe in yourself and be confident". He achieved this recognition thanks to his passion of excellence towards customer relationship and sales approach.

BARUN KRISHNA PANDEY, Sales Manager L1, Varanasi

Barun has been associated with Tata AIA for over 7 years and this is his first membership to MDRT. He has a base of 100 clients and plans to grow this number through servicing, need-based selling and getting references from his happy customers. He performs with a customer-first mantra.



Our most Coveted **MDRT** Members

REENA VIRENDRA, Relationship Manager, Dehradun

It took Reena, just 1.5 years to get her first MDRT membership. She has an existing customer based of nearly 300 clients and her mission is to achieve MDRT by providing extraordinary service. Testament to this is her effort to reach out to non-contactable customers and provide service of policy maturity claim settlement. 'Consumer obsession' is the mantra of her success.



ANKIT UPADHYAY, Relationship Manager, Mumbai

Ankit has been associated for over 3 years and this is his first membership to MDRT. His mission is to become a sales manager and he seeks to reach his goal by focusing towards financial consulting approach. He's happy to have achieved this prestigious career achievement and aims to attain it each year.



ANKITA ANILKUMAR CHATURVEDI, Assistant Relationship Manager, Mumbai

Ankita's dream to earn more to secure her kid's future and improve her family's lifestyle inspired her to step into the world of insurance and achieve excellence. The ethical way of selling to her customers with integrity is the motto that she lives by at all times.



CHINTAN NATVARLAL VIHOL, Relationship Manager, Ahmedabad

Chintan is a first time MDRT member and is committed towards continuing his winning streak. He achieved this remarkable milestone with 100+ satisfied HNI customers. He has mastered influencing skills and aims to achieve his mission 2022 of achieving TOT.



DHARMESH DUSHYANTBHAI BHATT, Relationship Manager, Vadodara

Dharmesh achieved his very first MDRT membership. Persuasive skills & timely service are his guiding mantra for success. His mission is the journey towards achieving COT with customer service as his core approach.



HARSHIL NARAYANBHAI KALAL, Executive Relationship Manager, Ahmedabad

Harshil made his presence felt as he grabbed his first MDRT recognition. He aims for COT / TOT next by offering the right policy to the right customer. The key to his success is the sales discipline that he has set for himself with right set of sales skills.



INDER NARENDRA KATARIA, Relationship Manager, New Delhi

First-time MDRT member, Inder from New Delhi has been associated with Tata AIA for 3 years and has 100+ customers. He believes in providing need-based sales approach, regular follow-up and satisfying every customer with on-time service.



MOHDHASSAN MOHDISLAM, Senior Relationship Manager, Mumbai

MohdHassan, has bagged his 1st MDRT membership in a span of 2 years only. Reaching beyond, he helped clients operate the online portal and e-insurance account leading to enhanced customer delight. Being focused and confident in providing need-based solutions has made him a star performer at TATA AIA.





Our most Coveted **MDRT** Members

POOJA DINESH SINGH, Executive Relationship Manager, Mumbai

Pooja is a first time MDRT member and feels honoured to be receiving this global recognition. She believes in the power of holding face-to-face meetings to ensure client satisfaction. Her success is service-based approach to clients and providing satisfactory service at all times in need.



POONAM JAGDISHBHAI LIMBACHIYA, Executive Relationship Manager, Vadodara

For Poonam, this is her second year in the insurance industry and she's grabbed her 1st MDRT membership already. Armed with a portfolio of 100 + HNI & Retail customers, she's committed to reach greater heights. Her success is followed by her need-based selling approach leading to satisfied clientele.



PRAMOD RAJENDRA BHOSALE, Executive Relationship Manager, Pune

For Pramod, this is his first big win which can be attributed to his end-to-end servicing skill. His success mantra is "Minimum 3 calls and 3 references a day, enhances sales discipline everyday". His focus and dedication towards existing customer management is the key to his success.



PRASHANT OM PRAKASH AWASTHI, Relationship Manager, Kanpur

Kanpur based relationship manager Prashant, has made his first time MDRT membership in two years with Tata AIA. He is already on a mission to achieve it again in 2022. He believes that customer relationship and need-based selling is key to his success.



SOURABH YASH KUMAR, Executive Relationship Manager, Noida

Sourabh has over 12 years of sales experience, of which 2 years has been in insurance. This first-time MDRT member aims to handle a team some day and make MDRT members as well. He believes that listening skills and professional approach enabled him achieve his milestone.



ARUNKUMAR KRISHNAMOORTHY K, Executive Relationship Manager, Chennai

Arun Kumar, marked his debut in bagging the honour. In a short span of 4 years, he has established a base of 500+ clients. Knowledge enhancement through insurance-seminars and CRISIL certification in financial planning went a long way in getting an edge.



DIVYA SWAMINATHAN PRIYA, Executive Relationship Manager, Chennai

Divya debuted on her MDRT journey and she achieved it through sheer perseverance. In her 6 years journey, she has successfully serviced a clientele of servicing 300+ clients. She believes in apprising customers of the purpose behind financial planning. Her relationship handling skills and customer satisfaction record pave way for her to achieve greater heights. She believes in fulfilling financial goals of customers through financial planning.



NATTURAYAN MANIKANDAN, Senior Relationship Manager, Coimbatore

Natturayan achieved his very first MDRT membership within 6 months of joining TATA AIA. This aim to receive the coveted recognition began right when he set foot in the world of insurance. Sales with excellence being his passion made MDRT possible for him. He is an emerging star of TATA AIA. He has achieved this glorious milestone by leveraging the power of customer service and referencing approach.



ABG's Shipwreck

How ABG Shipyard's promoter Rishi Agarwal used a web of group companies and connected entities to siphon off bank funds

BY ANAND ADHIKARI



40 |

WITH RECORD REVENUES of ₹2,432 crore and operational profits of ₹666 crore, year 2011-12 was the best in ABG Shipyard's nearly three-decade history. It was also the year when the Gujarat-based shipbuilder handed over a dozen vessels to its Indian and global clients. But 56-year-old Rishi Kamlesh Agarwal, Chairman and Managing Director of the flagship company of the ABG Group, was not elated. Agarwal, who studied finance in Purdue University, was more worried about the headwinds the shipping industry was facing post the global financial crisis. The industry was on the verge of plunging into a down cycle. Agarwal's woes were compounding day after day with clients calling up to cancel contracts. And that spelt the beginning of the company's downfall. Reason: rapid growth fuelled by excessive debt taken in anticipation of high global demand for vessels.

Sources in the know reveal that the diversion of funds actually started in those years. This was also corroborated by the forensic advisor

Ernst & Young (EY) as well as an insolvency resolution professional in their reports when they scanned the company's books of accounts between 2012 and 2016. That start has since escalated to allegedly India's biggest banking fraud of more than ₹22,800 crore—plus some dues to others—for which Agarwal is now being investigated by the Central Bureau of Investigation (CBI).

The first suspected fund-diversion transaction occurred in 2012 when the company had invested ₹227 crore in the redeemable preference shares of its Singapore-based subsidiary—ABG Shipyard Singapore Pte (ASSPL). Later, a part of the preference shares was redeemed, but the money never came back to India. A year later, ABG Shipyard transferred ₹97 crore into the accounts of Nor Crane & Winch Private Ltd (NC-WPL), which was listed as a vendor of the company. As per available documents, there was a clear link between the two companies—two directors of the vendor were also employees

of ABG Group companies. Similarly, an ex-director of NCWPL was also a director in some of the ABG Group companies. When *BT* checked the registered office address of these two companies, they were housed in the same building, and on the same floor.

By November 2013, ABG Shipyard started defaulting on some of its loan obligations. And so, within just a year of reporting the company's best-ever performance, Agarwal was actually knocking on the doors of banks to restructure its then ₹11,500-crore debt. Agarwal heaved a sigh of relief when the banks led by ICICI Bank agreed to restructure the loans under the corporate debt restructuring (CDR) mechanism in March 2014. The banks' sacrifice (moratorium, reduction of interest etc.) based on net present value was translating into ₹985 crore. The banks put in a condition for Agarwal to bring in 30 per cent of their sacrifice, that is, ₹300 crore, as the promoter's contribution under the restructuring. Under CDR, the lead bank, ICICI Bank, was the

monitoring institution for CDR on behalf of lenders. But Agarwal's alleged fraudulent activities continued unabated.

For instance, the company extended ₹64 crore to a loss-making Mahavir Distributor Private Ltd (MDPL), which was listed as a vendor of the company, in April 2014. This vendor was also closely connected with the ABG Group. Documents accessed by *BT* show that promoter Rajesh Wairkar, who owned 53 per cent stake in MDPL in 2014-15, was also an additional director of ABG Energy Ltd. In fact, the two promoters (the other being Vishal Sakaal) exited the company the very next year. In 2015-16, the company's shareholding showed three new promoters—Dhananjay Datar, K.G. Toshniwal and Ashok Agarwal—with 33.33 per cent stake each. Datar was actually the CFO of ABG Shipyard, working directly under

Rishi Agarwal. In addition, MDPL also operated from the same building—Shree Pant Bhuvan—and also the same second floor where other ABG Group companies such as ABG Capital, ABG Power and others were housed (*See The Modus Operandi*).

Despite debt restructuring, the company's losses piled up as its Dahej shipyard was completely shut from June 2015 because of non-payment of contractors' dues, while the Surat shipyard was partially operational. In 2015-16, the company's revenues crashed to a low of ₹37.76 crore, and losses widened to ₹3,704 crore. By July 2016, the banks declared the loan restructuring as a failed exercise. As a result, ABG Shipyard's account became an NPA in the books of the banks, backdated to November 2013.

Agarwal was well aware that the banks would soon invoke bankruptcy proceedings against the

company under the new Insolvency and Bankruptcy Code (IBC), which was in the works. It was clear that the company would be either sold to a new promoter or liquidated. In August 2017, the company was part of the dirty dozen (12 big NPAs which included Essar, Bhushan, Jaypee and Amtek, among others) identified by the RBI for bankruptcy proceedings. The lead bank, ICICI Bank, filed an application under the IBC with total claims to the tune of ₹27,400 crore due to banks, the government, employees and operational creditors.

The private sector bank, which invoked the bankruptcy proceedings, noticed certain transactions that were preferential in nature, undervalued in the books, or fraudulently carried out by the company. Between September 2015 and March 2016, the company transferred ₹199.66 crore to share trading company Banal Investments and Trading Ltd, a part of the ABG

MUTUAL
FUNDS
Sahi Hai

IDFC
IDFC MUTUAL FUND



Don't let tax play with your savings.

Invest in an ELSS fund before 31st March.

Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.

An investor awareness initiative by IDFC Mutual Fund.

To complete KYC process, investors are required to submit CKYC form along with a recent photograph, self-attested copy of PAN Card and valid address proof to any designated KYC Point of Service. For more information on KYC along with procedure to change address / bank details / phone numbers, etc please visit IDFC Mutual Fund website i.e. www.idfcmf.com. Investors can file their complaints with the mutual fund through their designated investor service contact points. Alternatively, investors can write to us at investormf@idfc.com or Call us on 1800 266 6688 / 1800 300 666 88. Investors may also register their complaint on SEBI SCORES portal. Investors are cautioned to deal only with the Mutual Funds registered with SEBI, details of which can be verified on the SEBI website under "Intermediaries/Market Infrastructure Institutions". For more information visit, bit.ly/IDFC_IAP

Group, which already had outstanding dues of ₹125.70 crore transferred by ABG Shipyard prior to April 2015. As per available data, the company's director S. Muthuswamy, who was also a director of ABG Shipyard, resigned from the share trading company in November 2014. Muthuswamy is also charged by the CBI in its fraud investigations. Another director, Datta Rau Pawar of Banal Investments, was also associated with half a dozen companies of the ABG Group.

After nearly two years of the IBC process, there was a lone bidder—UK-based Liberty House—but valuations and other differences cropped up. The banks finally recommended liquidation of the company in April 2019. The liquidator has already made as many as four unsuccessful attempts to realise the liquidation value of around ₹2,000 crore. According to sources, residential land parcels, bungalows and staff quarters, agricultural land, half-finished vessels, and plant and machinery are available for disposal.

The ABG saga also shows complete governance failure. Auditors and independent directors jumped ship without raising any red flags. Two ABG Shipyard independent directors—Ravi Nevatia and Rajani Podar—quietly walked away in mid-2006 with identical resignation letters, absolving themselves completely of any responsibility for wrongdoings: “I will not be responsible for any decisions taken during my tenure and present and future as I was not involved in any decision making.” Nevatia's name also figures in the list of directors booked by the CBI. Clearly, the liquidation of ABG Shipyard would not yield more than ₹2,000 crore. There are, however, dues of over ₹27,400 crore.

It is now over to the CBI to unearth the fraud, expose the nexus, if any, between bank officials and the company, and also recover money from Agarwal, who has given his personal guarantee for bank loans. **BT**

@anandadhikari



THE MODUS OPERANDI

How funds were diverted via related parties and subsidiaries

► **₹ 812 CRORE** was transferred to ABG Engineering and Construction, which in turn repaid loans of group companies, invested in other group companies, etc.

► **₹ 603 CRORE** was transferred to Ocean Shipping, which then repaid loans of the group companies

► **₹ 227 CRORE** was invested in the company's Singapore-based subsidiary via redeemable shares. The redemption money did not come

SOURCE: EY FORENSIC REPORT

► **₹ 199 CRORE** was transferred to a group share trading company

► **₹ 97 CRORE** was transferred to Nor Crane & Winch, a listed vendor with common directors

► **₹ 83 CRORE** was transferred to related parties for buying properties

► **₹ 64 CRORE** was transferred to loss-making Mahavir Distributor, which is listed as a vendor and also closely connected with the ABG Group



HOW THE ABG COOKIE CRUMBLLED

► **MARCH 1995**
ABG Shipyard incorporated

► **November 2013**
Loan account becomes NPA

► **March 2014**
Loans are restructured under the corporate debt restructuring mechanism by all lending banks

► **July 2016**
Loan restructuring fails; banks classify loan account as an NPA with backdated effect from November 30, 2013

► **August 2017**
Main lender ICICI Bank files an application under Section 7 of the Insolvency and Bankruptcy Code

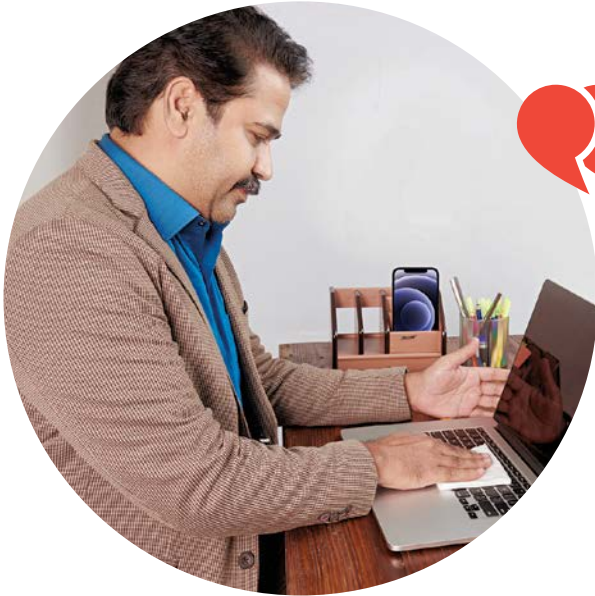
► **April 2018**
Lenders appoint EY as Forensic Auditor

► **January 2019**
EY submits its report, which talks of diversion of bank funds and fraud by promoters

► **April 2019**
NCLT passes liquidation order in the absence of any resolution

► **November 2019**
ICICI Bank requests SBI, the largest PSB lender involved, to lodge a complaint with the CBI. The first complaint is filed with the CBI

► **December 2020**
SBI files a second complaint with the CBI



Hey Siri,
remind me to sanitize
my laptop 30 days
from now.

Shield30. Total protection from viruses
for 30 days with a single application.



Wipe any surface once with
Shield30 Surface Guard, and
leave sanitizing out of your to do
list for a month. Shield30 forms an
invisible shield of nano-needles
that physically destroy disease
causing germs for 30 days, even
if the surface is cleaned regularly
after application.

proven in dozens of independent
lab tests and approved by
international health authorities.

Shield30 Surface Guard is
available at all leading
pharmacies in Tamil Nadu.
To find out more, please
call **95661 53335** or visit us
at **www.shield30.in**

Shield30 is odourless, colourless,
non-toxic. It has been clinically





Reset.com

India's digital bull run has just begun. This is an early stumble from which it will recover to emerge as the most vibrant of digital ecosystems in the world

BY UDAYAN MUKHERJEE

44 |

Y

YEAR 2022 HAS begun with an intent on washing away the sins of the dazzling post-Covid-19 bull run. While major market indices such as the Dow Jones or the Nifty have barely flinched so far, the pain is searing in the digital end of the spectrum where the biggest valuation excesses exist. This reset had to happen; only the trigger was in question. The US Federal Reserve has provided the market with an excuse to blow away the accumulated froth and bring these high-flyers down to earth. India has merely mirrored the trend.

The bloodbath brings back memories of the brutal technology meltdown at the turn of the century. Post-Covid-19 poster boys such as Zoom Video and PayPal have lost over 70 per cent of their market value, Netflix and the mighty Meta-Facebook have halved and even Tesla is down a third from its peak. It's a carnage.

Back home, the recently listed

digital unicorns which investors couldn't get enough of just last year, are in the middle of a grand wallop. Zomato and Nykaa have halved from their peaks, as has Policybazaar, while Paytm is the leader of the fall with a 60 per cent crash. Many old-timers in the market are probably having a good laugh as these newbies and their admirers get their comeuppance.

Such crashes are always a good time for reflection. And on doing that, one is struck by how eerily similar the pattern of this digital boom-bust is to the previous one. As they say—the more things change, the more they remain the same. If it was the ludicrous PE to Growth or PEG ratio in 2000, this time it was the Price to Sales ratio for digital stocks. The same investment bankers who pimped IPOs like Reliance Power to the gullible public, paraded these digital beauties before eager youngsters with no experience of market cycles. And brokerages, with a few exceptions, put out glowing 'buy' reports with price targets well ahead of the peak prices from which these stocks crashed. The same cheerleaders, doing the thing they always do—fan the flames of greed and madness.

The promoters of these digital unicorns shouldn't get a free pass either. Often, it was a case of them playing a game of collusion with private equity investors to raise capital at ever increasing valuations before providing them an exit with the IPO. Retail investors need to be very watchful about this trend. In a bygone era, a business would have to prove itself, turn profitable and then come to the IPO market to raise capital for growth. The game has changed. Easy access to private equity capital has ensured that the real jump in valuation is captured by these early investors and the general public is suckered in at the last stage to buy an unprofitable entity at a grossly inflated valuation. Is it any surprise then that these stocks are crashing? It was so predictable that very few serious professional investors would have bought any of these names post listing.

THE FIRST WARNING sign should have come from the advent of the Price to Sales ratio, propagated widely in the US to value NASDAQ stocks. This is such a bogus metric, disheeding the most basic tenet of investing—a stock

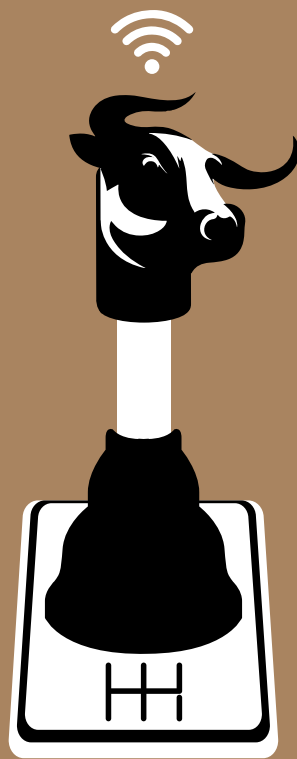


ILLUSTRATION BY **RAJ VERMA**

Resets, while painful, are wonderful things. They show up economic actors in their true colours, teach young promoters lessons about playing the long game and whittle away excesses, leaving the market stronger for the next leg

ultimately derives its value from profits—that an unravelling was always on the cards. In India, one of the promoters of a unicorn, now down 55 per cent and well below its issue price, spoke so dismissively of the need to generate profits, that discerning investors should have run for cover straightaway.

The one good thing is that the flames of this bubble were not fanned even further before the crash came. That would have led to even greater pain. The other, that many of these franchises will soon be available at interesting price points. It is always important to separate a business from its market value. The value may be conferred by the market based on many erroneous factors but the business itself remains fundamentally what it is. Not made better

by the stock price, or worse.

For example, Nykaa is an excellent franchise, but the price was wrong. It isn't one of those companies which disregards profits, in fact quite the opposite. Therefore, it will probably be the first digital stock to bottom out, once the dust settles on the reset. Zomato too is a top class platform, again with a mindless valuation. Now hacked down to size, maybe with some to go. Policybazaar is a good model but has to descend from its—don't ask me about profits—high horse and smell the coffee. And Paytm has to realise that it is all very fine to compare itself with a Bajaj Finance but an ambition is not a proven business model. The yawning chasm between the two is the one into which the stock has plunged. But it would be unfortunate

if this crash turns investors durably away from digital stocks. That would be a colossal mistake as in the next decade, many of these enterprises will become giants. Hopefully profitable ones.

Resets, while painful, are wonderful things. They show up economic actors in their true colours, though investor memory tends to be remarkably shallow. They teach young promoters lessons about playing the long game and whittle away excesses, leaving the market stronger for the next leg. So, despair not, India's digital bull run has just started. This is an early stumble which we will recover from, and build on, to emerge the most vibrant of digital ecosystems in the world. Don't confuse a reset for an obituary. **BT**

| 45

Powered by,
CoinDCX

Learn about Bitcoin and Other Cryptos

Crypto assets are subject to market risks and volatility. Before investing, do your own research. DCX Learn is for educational purposes. The content above or on DCX learn should not be construed as financial advice. T&C Apply.

Scan to Enroll



DCX Learn
Make Knowledge Your First Investment



INDIA'S BEST CEOs

The **BT-PwC** rankings honour the best business leaders of India Inc

By **Team BT**

Illustration By **Raj Verma**

RUNNING A COMPANY, be it a behemoth, a large one, a mid-sized one or a small one, is no easy task. Corporate leaders bear the weight of shareholders' expectations, are responsible for employees' well-being, and also have to ensure that the business is profitable, while adhering to all the laws of the land, among other responsibilities.

Businesses in India have faced torrid times the past few years—a slowing economy, muted demand, rising costs of crude oil and raw materials, and to top it all, the

Covid-19 pandemic. The circumstances have been difficult, but they have also served to highlight the performance of certain business leaders who have made the most of these trying times. Sifting through the quantitative and qualitative aspects of their performance, *Business Today*, along with knowledge partner PwC India, shortlisted those who are at the top of their game, and a high-profile jury picked the winners.

In the pages that follow, read about the winners of the 10th edition of the *BT-PwC India's Best CEOs* rankings, and how they made it. **BT**



A DIGITAL LEAP

Pune-headquartered Bajaj Finance's Rajeev Jain takes the non-banking financial company on yet another transformative journey

By **Anand Adhikari**

► **FIVE MONTHS BEFORE** Covid-19 emerged, board members of the Pune-headquartered Bajaj Finance sat down to give final shape to its five-year strategic plan. It was a routine affair; the mood was sanguine. The consumer finance company had created a record of sorts by raising capital of \$1.2 billion, to fuel its massive growth opportunity. For the past decade and a half, the company's income, assets under management, and profits have been growing at a staggering compounded annual growth rate (CAGR) of 30 per cent-plus. "Given the fast-changing landscape, the natural evolution fundamentally required us to become end-to-end digital," explains Rajeev Jain, Managing Director of the ₹1.81-lakh crore (asset size) company.

The board didn't take much time to give its stamp of approval to build a one-stop shop financial services

super app with a shopping and e-commerce ecosystem. "The thought process was to be available 24x7 to our 42.6 million-plus customers, have two-way engagement, and offer them everything they need when they want it," says Jain, who spurs a start-up culture. Most observers believe that this transformation exercise of the omnichannel network, which is currently underway, was the outcome of the pandemic, but it had actually begun earlier. However, the pandemic did send the plan back to the drawing board for a rethink. "Nothing can make you think as hard as a crisis does. That's the learning for us to exploit the new opportunities emerging in a [Covid-19] crisis situation," explains Jain, 51, who has played a key role in transforming a small Bajaj Finance into one of India's fastest-growing NBFCs. The Covid-19 crisis pushed Jain—and other professional CEOs—harder to think more deeply and broadly about new digital initiatives in the light of behavioural changes amongst consumers. But more on that later.

Jain, who generally starts his day at 7 am, has played a key role in making the company's zero-interest, consumer durables financing product—now known as 'Buy now, pay later'—a big hit, so big that it was instantly replicated by competitors, including high street banks. Partly, the experience and wisdom of two stalwarts—the late Rahul Bajaj and ex-Citibanker Nanoo Pamnani—helped the company, but it was Jain's execution skills, which he honed in multinational firms like GE, American Express and AIG, that drove the product's strategy. "Once a broader strategy is in place, he rolls up his sleeves to do the job," says a professional who worked with Jain earlier.

Champion of Champions

Rajeev Jain

MD, Bajaj Finance Ltd

Revenue from operations	FY21	23,532.16
	Q3 FY22	7,523.07
Profit before tax	FY21	5,362.88
	Q3 FY22	2,609.84
Profit after tax	FY21	3,955.51
	Q3 FY22	1,933.85
	RoE (%)	11.77
	Market Cap	4,18,330.11

● Standalone results; all figures in ₹ crore except RoE

● M-cap as of February 7

● Data Source: BSE, ACE Equity

PHOTO BY RACHIT GOSWAMI



Jain's biggest challenge as a CEO probably came when the Covid-19-induced lockdowns forced people and employees to stay at home. "If you create a crisis, you can't solve that crisis; but if you didn't create that crisis, that gives you a far greater moral right to solve that crisis," he told his senior management teams. "It was a crisis that all of us, as operating managers, looked at from that philosophical lens and went towards solving it and even gaining from it."

The company's growth journey was in some ways cut short by the raging pandemic waves, but it also showed remarkable resilience. In the BT-PwC India's Best CEOs ranking data, Bajaj Finance's three-year CAGR in total income was calculated at 22.99 per cent, and in profit after tax, 16.73 per cent. Asset quality was also under control, with net NPAs at 0.91 per cent of loans as of March 31, 2021. This exceptional performance, which includes the first pandemic year, led the four-member jury to confer on Jain the highest honour of 'Champion of Champions'.

When Jain joined the company in 2007,

| 49

Key Highlights

- ❶ Devised new strategy to transform through digital inclusion
- ❷ Navigated the company safely through two difficult years of the Covid-19 pandemic
- ❸ Kept asset quality under control with net NPAs at 0.91 per cent
- ❹ Raised capital of \$1.2 billion just before the pandemic
- ❺ Scaled up subsidiaries

TOP OF THE GAME Rajeev Jain, MD, Bajaj Finance

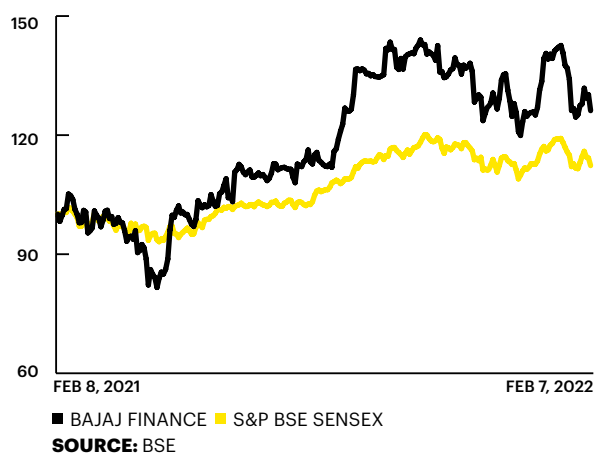
it was a small, captive auto finance company. Today, it is a giant in comparison: standalone revenues in FY21 were at ₹23,563 crore, and market cap today is at ₹4 lakh crore, higher than Axis Bank and Kotak Mahindra Bank. What is the recipe behind this success? At the foundational level, four key things have remained consistent and common all along—people, great attitude, patient capital, and planning. “People make businesses in the services sector. You need to have a positive attitude. You need patient capital for building a long-term business, and also continuous strategic planning,” says Jain.

One-click Financial Supermarket

The company, which was at the forefront of digitisation in the past decade, is now transiting from a digitised company to a digital company. “Digitised means some [part] of the process was digital, but the entire process was not,” explains Jain. In fact, it started using cloud computing at the point-of-sale way back in 2007. Today, 60 per cent of its workload runs on the cloud. The company also claims to be one of the largest customers of software-as-a-service (SaaS) major Salesforce in India. Initially, Bajaj Finance’s plan was to make a super app for existing customers, but post-Covid-19, the plan was extended to create an all-encompassing app. Under this new ecosystem, it is developing five proprietary marketplaces—EMI store, insurance marketplace, mutual fund (MF), broking and health—that will allow customers to review, compare and buy a host of financial products and services across electronics, insurance, investments, and healthcare categories. The omnichannel strategy would make it easier for customers to move seamlessly between online and offline channels, which would make the new model more cost-effective.

The company is taking its EMI store to the next level. Of the 120,000 merchants it works with in the physical world (such as Croma, Vijay Sales, etc.), 12,000 are already on board its digital app. It has close to 78,000 SKUs and 35,000 merchants on its existing web-based marketplace platforms. “The merchants will be able to get a logistics partner to come and pick up products and deliver to clients,” says Jain. It has also introduced an aggregator model with 900 insurance products across a dozen insurance companies. Customers have the flexibility to use a Bajaj EMI card or UPI wallet to pay the premium. The MF or investment marketplace offers a host of MF products that you can review, compare and buy. The company’s broking app offers loans against shares. And the fifth vertical, BFL Health, has built a doctors’ portal that allows visitors to review hospitals, and scan some 100,000 doctors. “Execution is the key to this digi-

Ahead of the Benchmark



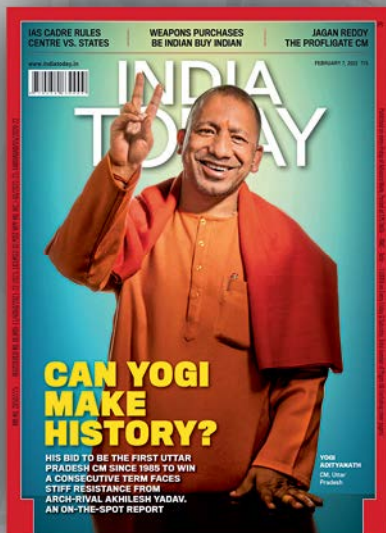
Likely Challenges

- ▶ Tough competition from banks and fintech firms in a digital environment
- ▶ Regulatory risks and more stringent regulations likely for NBFCs
- ▶ Banking licence to access low-cost funds
- ▶ Two key strategists—Rahul Bajaj and Nanoo Pamnani—passed away in the past two years
- ▶ Economic stress to impact consumer financing business and profitability

tal transformation journey. If the company is unable to make meaningful progress on re-shaping its business towards the digital economy, it could (negatively) impact its prospects,” says Siji Philip, Senior Research Analyst, Axis Securities.

Payments Ecosystem

The biggest inclusion in the super app is the payments ecosystem. It has developed a wallet application called ‘Bajaj Pay,’ which offers payment options via UPI, EMI card, or credit card. This payments piece will sit as the frontline engagement tool for customers on a day-to-



IN DEPTH
KNOWLEDGE
FROM
THE MOST
CREDIBLE
SOURCE

Subscribe and get upto 55% discount

YES! I WISH TO SUBSCRIBE TO INDIA TODAY

Please tick your subscription choice and send the form to: We Care, Living Media India Limited, C-9, Sector 10, Noida-201301 (India)

TERM-1 YEAR NO. OF ISSUES-52				
PLAN	COVER PRICE	OFFER PRICE	SAVINGS	SELECT
PRINT ONLY	₹ 3900	₹ 3099	21%	☐
PRINT + DIGITAL	₹ 7800	₹ 3499	55%	☐

Please fill the form in CAPITAL LETTERS

I am enclosing Cheque/DD No.: _____ dated: _____
 drawn on (specify bank): _____ favouring Living Media India Limited for
 ₹ _____ (Add ₹ 50/- for non Delhi cheques, not valid in case of at par cheques)
 Name: _____ Address: _____
 _____ City: _____ State: _____ Pin: _____
 Mobile: _____ Email: _____



SCAN HERE TO SUBSCRIBE

FOR MORE DETAILS ON THE OFFER, YOU MAY CONTACT THROUGH BELOW OPTIONS

CALL us on Toll Free No. 18001800100
and (0120) 2479900

E-MAIL
wecare@intoday.com

LOG ON TO
www.indiatoday.in/subscribe

Whatsapp "Hi" to
+91 73030 86006

day basis. Jain says that the payments offering is linked with a unique reward system—offering something called ‘Triple Reward’, which means a customer can choose between cashback, Bajaj Coins or vouchers. It is also creating a Bajaj Pay payments solution for its 120,000 merchant partners. There are plans to launch card swiping machines at point of sale (POS), QR codes, and a payment gateway business. Jain is betting big on payments, where companies like Paytm and BharatPe have built a large network. “Payments will be the main hook or engagement tool both for clients on one hand and merchants on the other hand,” predicts Jain.

While fintech firms are building a lending model on top of payments, Jain is doing the reverse. He explains that the company is a licensed consumer finance company with a complete suite of products. “To reduce friction in the financial services business, you need to manufacture. If I don’t manufacture, I can’t understand the nuance of the business and, in the process, I can’t reduce friction,” says Jain. The entire transformation plan is already in progress. It has now been 18 months since Bajaj started Phase I where it plans to shift all existing consumers to the new digital platform in a staggered manner. Under Phase II, which will be launched in the next eight to nine months, the new-to-Bajaj customer journey will emerge. The app features will also increase from 55 to 117. “So far, the company’s consumer durables financing [business] has been the frontrunner of its customer acquisition engine. However, with the newly launched payments portal, the effectiveness of customer acquisition increases, along with lower costs and minimal risk,” says Philip of Axis Securities.

Challenges Ahead

Shweta Daptardar, Vice President at Elara Securities India, says the development of new marketplaces and apps will translate into increased cross-selling initiatives, higher customer retention, and an improved customer acquisition run-rate. “All of which should culminate in better business traction,” says Daptardar. Jain is eyeing higher engagement rates with customers, which are likely to jump dramatically. “A significantly superior cus-

tomers experience should naturally lead to much higher products per customer. It may lead to higher growth and a lower cost of operations,” he says.

The company will eventually have three integrated ecosystems of app, web and physical products to offer anything and everything. “This is really what we call the omnipresent financial services model,” says Jain. But there will also be challenges on the way. Post the debacles of IL&FS and Dewan Housing Finance, the Reserve Bank of India has suggested bank-like tough regulations for large NBFCs. Based on RBI’s draft guidelines, Bajaj Finance is likely to be placed in the top layer of regulations, which means a higher minimum capital requirement and more supervisory eye (*See Likely Challenges*).

What about turning into a bank? Well, that has its own pros and cons. “The company would enjoy stable liabil-

Jain, who generally starts his day at 7 am, has played a key role in making the company’s zero-interest, consumer durables financing product—now known as ‘Buy now, pay later’—a big hit, so big that it was instantly replicated by competitors, including banks

ity management backed by current and savings accounts (CASA), but spreads and returns on assets (RoAs) will take a hit as becoming a bank would mean fulfilling cash reserve ratio and statutory liquidity ratio requirements,” says Daptardar of Elara Securities. There are also priority sector regulations for deploying capital. Philip of Axis Securities believes that “at an opportune time, there is a possibility that the company will apply for a universal banking licence or look for inorganic acquisitions in the space if permitted through regulations”.

Jain certainly has a game plan in mind. He believes that all the current business initiatives and steps of Bajaj Finance are already in the direction of a bank. “If the new omnipresent financial services model is to become a bank eventually,” argues Jain, “it will create a distinctly differentiated bank. **BT**

@anandadhikari

Bhavna Udernani

Founder, Adhaan Solutions

Q1. What do you think is the key for a successful recruitment strategy?

Hiring talent is like match-making. The key is to place the right candidate in the right job, where the candidate's attitude toward work aligns perfectly with the organization's culture. While it is difficult to single out one key mantra of success, I'd say if you can achieve the right people: organization combination, that's a successful recruitment strategy.

I have been a part of this industry for a long time now – majorly in staffing – our clients look for a combination of skills and longevity. Another winning strategy is to gain deep insights, both: into the client's vision and culture, and into the candidate's skills, passion, and aspirations. As a talent acquisition professional, if you have the understanding of both sides of this coin, you will be able to find the right fitment, thus leading to employees who are in it for the long run to build careers, and of course, satisfied clients.

Q2. How is people management evolving in new normal?

First and foremost, I think we are not ready to call it "normal" yet, even if it is the "new normal." Yes, people and organizations are getting back to normalcy but there is no denying the fact that COVID has impacted everyone's lives in a drastic manner. And, naturally, as human lives have been impacted, in the industry the Human Resources function has been affected the most.

Employee engagement and training/upskilling – especially in technology – are surfacing as the two key focus areas of people management as employees return to offices.

People managers and leaders are realizing that they need to put learning and development of employees back on track, if they want to fast track the growth of the employees and their skills to match the needs of the organization. Technology, is one such area – it taken a turn that no one could have imagined. First work from home and now the hybrid work from home/Office formats require all employees to be at par with using technology.

Equally important is employee engagement and motivation. And, employee engagement is not a tick in the box. You can't organize one event and think your job is done. Employee engagement is a much deeper, more holistic approach of multiple activities and programs that start from attracting and then retaining top talent in an organization.

Q3. How can HR overcome the issue of a shrinking talent pool?

I don't think there is shrinkage of the talent pool in India – the issue is of a mismatch of fitment and high attrition. Everyone is looking for fast growth, job seekers don't look forward to investing their time for learning, development and growth. On a lighter note, I can say that they want their pay package to rise faster than their dreams and goals! On the other hand, organisations too are looking at fast and rapid productivity, often leading to lack of empathy towards an employee.

In this high people turnover situation, the organic growth of an employee has taken a big hit. We need to take a breath and take a step back from this fast pace – HR needs to address both these issues by building stronger management and people processes



With 12 years of experience in the HR industry and an ability to manage people and staffing business, Bhavna was kindled with the desire to add her distinctiveness in a process to learn, evolve and transform people's lives to extraordinary and that's how She picked this noble industry to venture a unique business model where humans are the core focal point of their products and services.

“
The industries are in indefinite race for hiring, developing & retaining talent. Candidates are looping in a vicious circle to find jobs in India, and recruiting agencies like us are aiming to bridge this gap to help them reach their goal. I take this as my responsibility towards society to pay back by assisting individuals to get best jobs and employers to get the best talents from the pool of opportunities that are scattered around

that help the organization to move forward, together, as a team. More opportunity for growth and growing together will in turn help the organisation grow quickly, which will make the roots of the company more solid.

Q4. What is the hybrid model? How is it relevant for the future?

The first and foremost question that we need to ask ourselves is that are we committed to our jobs enough? If we are; hybrid or non-hybrid shouldn't impact desired outcomes.

The hybrid model – which allows an employee the flexibility to work from office and remotely. In my opinion, a hybrid model is very efficient for the company as it saves a lot of infrastructure cost and gives the right amount of flexibility to an employee – end result: a happy employee with a good work-life balance gets work done seamlessly.

Having said that, shifting to a hybrid model might take some time for companies who have invested a lot in infrastructure for more profits and better productivity.

Looking at the current scenario it seems that organizations that work on a project/ deadline basis – mostly in Technology – can adopt a hybrid model in the long run. Information Technology is a field where the hybrid model is definitely here to stay.

Q5. One important thing about your company?

The important thing about Adhaan Solutions is our sensitivity toward both our clientele, providing them tailor-made solutions, and talent, investing time to understand their aspirations and capabilities. We believe that only if there is a mutual agreement among all three parties – Our clients, our candidates and us – that will lead to a more profitable outcome.

Looking beyond targets, our end goal is to make sure that our clients are more profitable and in complete compliance with the law of the land. On the other hand, Adhaan Solutions works tirelessly to ensure people working on Adhaan's payroll are taken care of and are highly engaged.

Q6. As an HR leader, what are your top priorities for 2022?

India as a country has huge scope for HR. There is a massive, untapped unorganised sector that needs to be brought into the fold of the organised sector with proper processes and investment. At the same time, the HR industry has immense potential to contribute to economy of our country, but it needs more recognition and support.

A combination of this, I feel, should be the primary responsibility and priority for HR leaders today. Mind you, it is not an easy task at hand. My focus, this year, is to make HR much more organised in our country, and work towards making HR and Staffing recognised, organised and be more valued. I want to keep working with my industry colleagues to make HR more business-oriented and productive, thus enabling a stronger employment ecosystem in our country.

THE MARK

Ratan Tata took charge of the Tata group around the time India opened up its economy. The naysayers gave him no chance but an aggressive growth path and forays into new geographies and industries have seen the group grow from revenues of \$5 billion to \$103 billion



❶ Ratan Tata and J.R.D. Tata (*right*) shared a warm relationship that only got stronger with time

❷ Succeeding J.R.D. Tata was not easy but Ratan Tata managed to place the group on the global map

❸ The Corus buyout was audacious since Tata Steel now owned a company four times its size

OF TATA

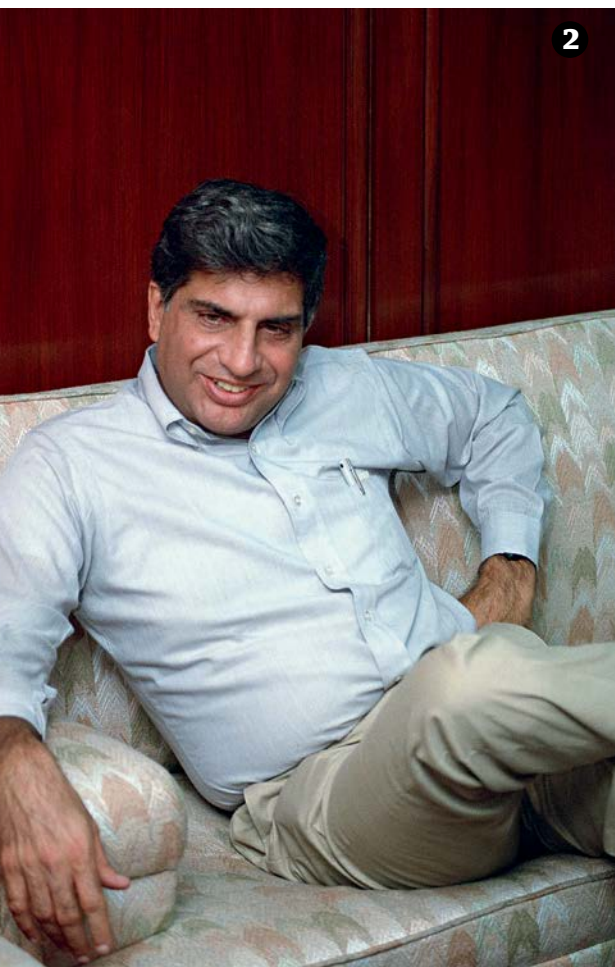


PHOTO BY **PRAMOD PUSHKARNA**



PHOTO BY **BHASKAR PAUL**

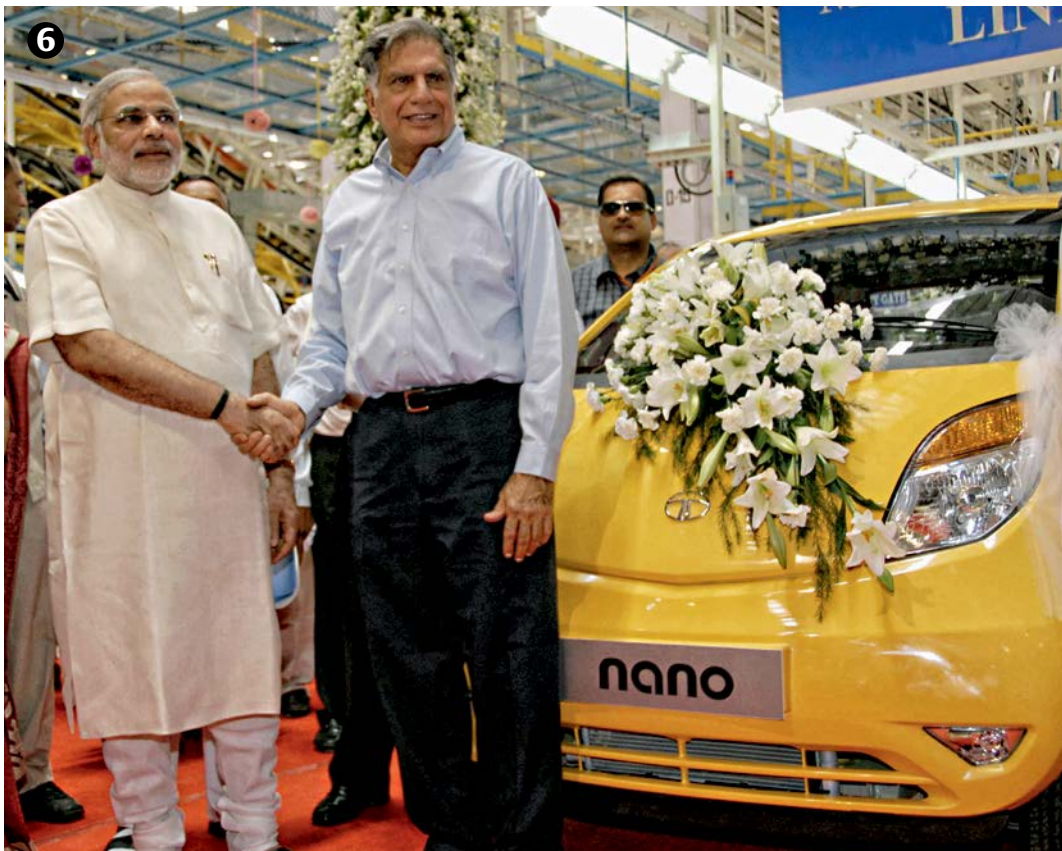


PHOTO BY HANIF SINDHI





④ The JLR acquisition lent premium to Tata Motors' portfolio and has been one of its best investments

⑤ Exiting West Bengal in the face of protests was tough on the Nano project but Tata stood firm

⑥ With then Gujarat CM Narendra Modi (left). The ₹1-lakh car became a reality as the Nano rolled off the Sanand plant in Gujarat

⑦ Flying has always been close to Tata's heart and the more challenging the ride, the better



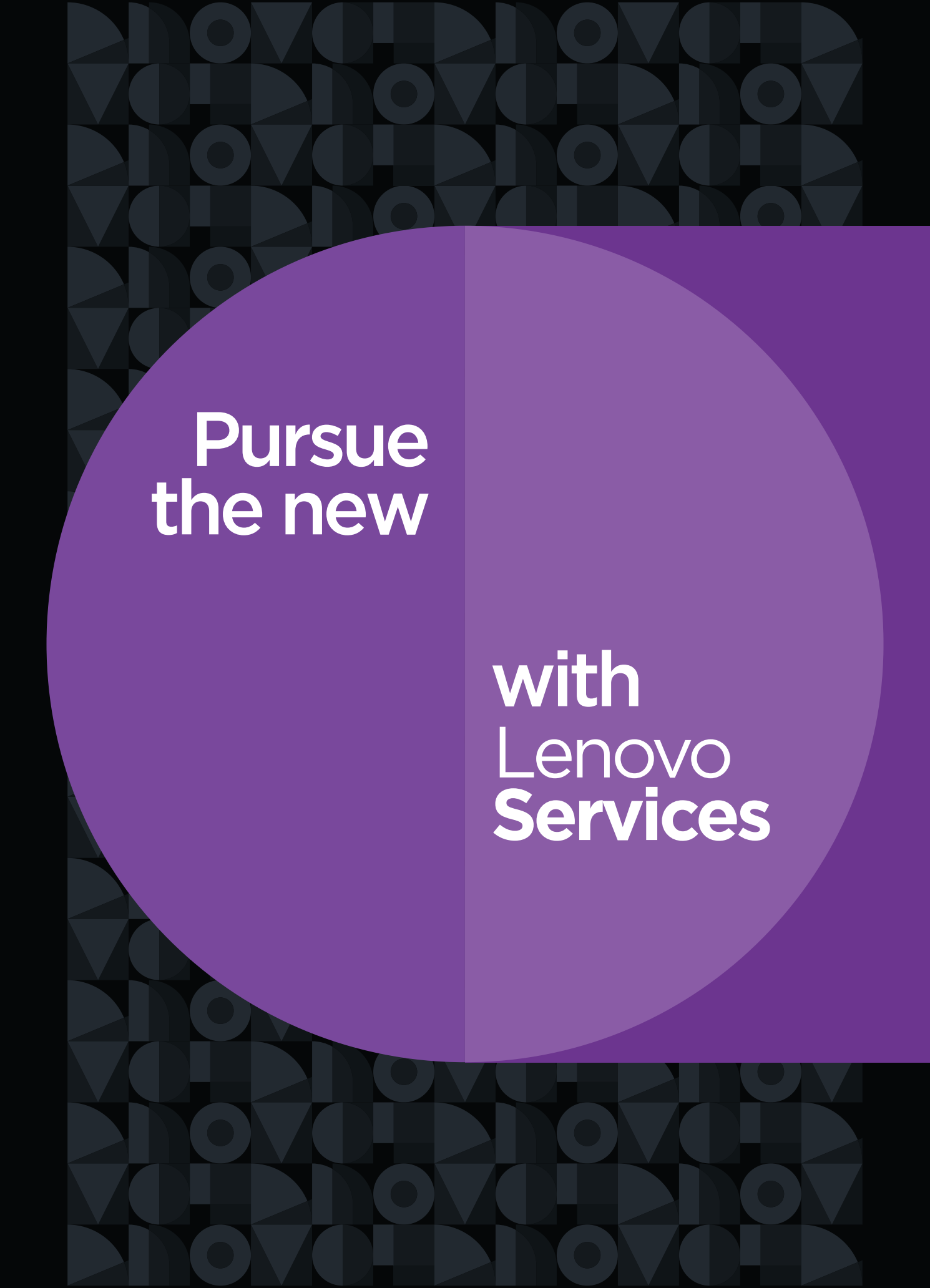
PHOTO BY SHEKHAR YADAV



PHOTO BY HANIF SINDHI

⑧ Tata initially shared a happy relationship with Cyrus Mistry (right); but it soured later

⑨ N. Chandrababu Naidu (left), the current group boss, earned his chops at TCS before taking over



Pursue
the new

with
Lenovo
Services



**74%* of
employees
are 100% sure
about Flexible
Remote Work.**

It's hard to remember the last time the landscape of work changed so dramatically and at such scale. Flexible Remote Work is the order of the new day and organizations have taken to it unanimously. Thanks to the tireless efforts of the IT Workforce, the digital transformation has been fast-tracked and hybrid work is being implemented by a majority of Indian companies.

At Lenovo, our mission is to power these IT experts with a complete range of technology solutions and devices powered by Intel vPro® Platform to help them deal with this modern-day revolution and accelerate progress. Lenovo salutes the IT experts who are combining their ingenuity with innovative technology to create a smarter future for India.

END-TO-END LENOVO TECHNOLOGY SOLUTIONS POWERED BY INTEL®



LENOVO PREMIER SUPPORT

With 24x7x365 elite support from engineers, Premier Support ensures comprehensive assistance for a business's remote workforce.



LENOVO THINKSHIELD

From wherever your employees choose to work, keep security risks in check and protect your business from evolving threat landscapes with advanced security capabilities.



LENOVO DaaS

Lenovo Device-as-a-Service empowers your remote workforce with customized and scalable devices, software, and services at a predictable monthly fee.



LENOVO MANAGED SERVICES AND LENOVO DEVICE INTELLIGENCE

Ensure uninterrupted efficiency with a complete range of advanced tools for real-time asset management and predict possible failures with Lenovo Device Intelligence.



BUILT FOR BUSINESS



SCAN TO KNOW MORE

Intel, the Intel logo, Intel Core, Intel vPro, Core Inside and vPro Inside are trademarks of Intel Corporation or its subsidiaries in the U.S. and/or other countries. Lenovo reserves the right to alter product offerings and specifications at any time without notice. Models pictured are for illustration purposes only. Lenovo is not responsible for photographic or typographic errors. Information advertised has no contractual effect. Lenovo, the Lenovo logo and ThinkPad are trademarks or registered trademarks of Lenovo. © Lenovo 2021. All rights reserved.

*The source of the data is Microsoft Work Trend Index (<https://news.microsoft.com/en-in/microsoft-work-trend-index-reveals-urgent-trends-as-hybrid-work-unfolds-in-india>)

Lenovo Services

Call
80700 27000

Know More
techtoday.lenovo.com



Premier Support



Device-as-a-Service



Lenovo ThinkShield



Managed Services



Lenovo Device Intelligence



PCs with Intel vPro® Platform



BUILT FOR BUSINESS

Smarter
technology
for all

Lenovo

SHOTS FOR SUCCESS

Even as Covid-19 pushed many on the back foot, Serum Institute of India CEO Adar Poonawalla stood up and led the vaccine production in India from the front

By Neetu Chandra Sharma

62 | ► **ADAR POONAWALLA CAN** easily be termed as the poster boy of India's vaccination drive. Rising to the challenge posed by the emergence of the Covid-19 pandemic, the Chief Executive of Serum Institute of India (SII) toiled hard to produce Covishield—the first Covid-19 vaccine in India to receive emergency use approval for public use.

Despite this being a golden business opportunity, Poonawalla says he always kept the company's focus on the safety of people. When Covishield was made available to the government initially in January 2021, SII had announced a price ₹400 per dose to states and ₹600 to private hospitals. However, by April 2021, Poonawalla slashed the price per dose to states to ₹300.

Founded in 1966 by Poonawalla's father Cyrus, the biotechnology and biopharmaceuticals company be-

came the world's largest vaccine producer in terms of number of doses produced as of 2020. Currently, the company manufactures 1.5 billion doses of vaccines annually, including 200 million doses of Covishield. Apart from Covishield, it also manufactures vaccines for tuberculosis, polio, etc.

With the pandemic calling for a swift response, SII partnered with British-Swedish pharmaceutical major AstraZeneca, which had already developed a vaccine candidate AZD1222 in partnership with the University of Oxford. SII started manufacturing it under a licence, with Covishield as the brand name. Bolstered by the sales of Covishield, SII's revenues soared—from ₹5,238 crore in 2018-19 to ₹7,201 crore in 2020-21.

The success, however, came with a lot of challenges and labour for the 41-year-old Poonawalla. "In early 2020, when the World Health Organization (WHO) declared Covid-19 a pandemic, we knew very little about the virus. We barely knew what technologies and vaccines would work. The first challenge was to decide whether I should get into this, and risk money, time, and capital resources or not? But as a manufacturer, I wanted to serve my people and my country," he says.

With the decision on producing vaccines done, SII then had to restructure its facilities, add manpower of over 1,000 people, and provide them with adequate training for operating the additional equipment. The challenges, though, had just started.

"Flights were grounded in 2020 and the cargo was limited. Only essential services through diplomatic channels and other ways and means were possible. Getting the equipment was difficult; getting people to instal it was even tougher. But as we overcame challenges, we started stockpiling the doses ahead of time. That is what really differentiated us from anyone else. At the end of 2021, we delivered 1.5 billion doses, which is more than anyone else," says Poonawalla.

The winner of the Special Jury Award in the BT-PwC India's Best CEOs ranking credits his employees for achieving this mammoth feat in such difficult times. "Handling the challenges of this magnitude with the kind of ethical and moral responsibility was extremely stressful, but I managed to compartmentalise each challenge every day and thanks to my wonderful team that worked day in and day out, we dealt with it all," says Poonawalla, who took the reins at SII as CEO in 2011. Soon after, he played a pivotal role in the acquisition of Biltoven Biologicals, a Netherlands-based government vaccine manufacturing company. He was also in-

Special Jury Award

Adar Poonawalla

CEO, Serum Institute of India

Revenue from operations	7,201
Profit before tax	4,908
Profit after tax	3,891
RoE (%)	19.57

● Standalone results; all figures for FY21 in ₹ crore except RoE

● Data Source: ACE Equity



PHOTO BY BANDEEP SINGH

strumental in the launch of SII's oral polio vaccine that has been its bestseller.

People who work closely with him have nothing but praise for his leadership and support. Parag Deshmukh, Director of International Business, SII, takes a cue from American basketball coach John Wooden's book *Pyramid of Success*. On the right-hand side, besides patience, there are four additional aspects—integrity, reliability, honesty and sincerity. “By that very definition, Poonawalla is a leader who embodies all of these qualities together, professionally as well as personally,” he says. “I joined SII in 2007 and over the decade, I have witnessed him transform the face of global vaccine manufacturing with his undeterred commitment, strong resolve and the willingness to go beyond the bare necessity.”

Poonawalla is respectful towards his employees and fosters a positive and conducive work environment. This usually means no long working hours unless you are trying to save the world in the middle of a pandemic. He in-

MAN WITH A PLAN Adar Poonawalla, CEO, SII

Key Highlights

- ❶ Adar Poonawalla took the reins at Serum Institute of India as CEO in 2011
- ❷ SII's Covishield was the first Covid-19 vaccine in India to receive emergency use approval for public use
- ❸ SII, which had a turnover of ₹5,238 crore in FY19, saw a stupendous surge to ₹7,201 crore of turnover in 2020-21
- ❹ SII manufactures nearly 1.5 billion doses of vaccines each year
- ❺ Under Poonawalla, Serum Institute of India now marks its presence in 171 countries, including regulated markets such as Canada and the UK

| 63

stills confidence amongst his colleagues and encourages them to trust their judgement on operational decisions. “It has resulted in SII achieving several milestones in the industry. One of the crucial things is our presence across 171 nations—especially our foray into regulated markets such as Canada, the UK, and some other developed countries,” says Deshmukh.

In today's time, it is important for business leaders to adapt to a rapidly evolving environment. Poonawalla is someone who realises that. He is aware that one can't always deal with difficult situations with a set playbook. “To me, Poonawalla is someone who sets the benchmark of true leadership. His approach to business with compassion and thoughtfulness is aligned with the philosophy of the Serum Institute of India. More than a businessman, he is a change-maker—trailblazing and redefining the essence of business for good,” says Deshmukh. **BT**

@neetu_csharma

BETTING BIG ON ORGANIC GROWTH

Rajesh Gopinathan, CEO and MD of Tata Consultancy Services, believes growth has to be organic and profitable. And the only way to do that is to constantly reinvent

By **Nidhi Singal**

64 |

► **CRICKET IS THE** most popular game in India by a mile. While you will have the fan rattling off numbers with remarkable levels of accuracy, there is another set that is fascinated by the skills, strategies and what have you. Rajesh Gopinathan, CEO & MD of Tata Consultancy Services (TCS), falls in the latter and easily draws an analogy to his own business.

“We are masters at playing the ball, but we also are good at leaving the ball that doesn’t make sense to us. In that sense, we know where our outcome is and we will cover for it. There is logic in waiting for the opportunity and then getting the best out of it,” explains Gopinathan. The point TCS’s boss makes is how a product-based company needs to anticipate changes and take a forward call of five to 10 years ahead. That said, for those that are consulting-oriented, that timeline is a year or, at best, two. “If you are looking at a player in technology services, it needs to be even closer. Based on the business model and your own strategy, you play in the space you need to play or, rather, play the ball in front of you and not think about what the ball will be,” he says with a smile.

Obviously, this approach has worked rather well and the numbers tell a tale. TCS’s market capitalisation touched \$200 billion in September 2021, doubling from \$100 billion in April 2018. That’s only one part. In the five years that Gopinathan has been at the helm of affairs, its \$50 million-plus clients have shot up by 25.5 per cent, while the growth rate for \$100 million-plus is up by a more impressive 56.75 per cent. Little wonder, Gopinathan finds himself the winner in the Super Large Companies category of the BT-PwC India’s Best CEOs ranking. The right buttons were pressed in time and a case in point is how digital was starting to become a major disruptor. He and TCS’s senior management figured it was a skillset that could be picked up internally. “We enabled a learning platform for the team and scaled it up to about 250,000 by 2017,” he says.

Then, it was time to look at new ways to be more relevant to the customer. “The velocity of transformation at his end was increasing. It was not just about technology but the overall business as well. Our skill lay in a deep understanding of where they are currently placed apart from knowing which

PHOTO BY MANDAR DEODHAR



ASTUTE BATSMAN Rajesh Gopinathan, CEO and MD, Tata Consultancy Services

Key Highlights

- ❶ TCS's market cap touched \$200 billion in September 2021, doubling from \$100 billion in April 2018
- ❷ For TCS, organic growth is also about organic talent development
- ❸ TCS identifies people in-house who have the knowledge, and gives them the means to articulate, contextualise and push things forward
- ❹ TCS's employee strength is up at almost 557,000 in the last calendar year; the corresponding number in 2017 was about 391,000 employees

| 65

technologies they will leverage during this journey of transformation.”

LAYING THE FOUNDATION

As a company, TCS, with its massive revenue base of \$26 billion and leadership across industries and service lines, was well-placed. Still, there was work to be done. The right capabilities had to be built and this is where contextual masters step in.

Here, the strategy is to bet big on its employees or identify people in-house, who have the knowledge “and then give them the means to articulate, contextualise and to push things forward”. Gopinathan says this has been a huge success with over 50,000 contextual masters who have been identified and are now going through various forms of grooming. “It provides us the core foundation to build on our transformational journey,” he emphasises. The other part is the growth and transformation strategy with the intention being to broaden the offerings to both—meaning the cost and optimisation side of the customer's needs, as well as growth transformation and innovation. “That is now starting to

bear fruit and is the dimension on which a lot of our future growth and change will come,” he says. It has been an effective way to not just retain people but get in fresh talent. Small wonder then that TCS’s employee strength is up at almost 557,000 during the last calendar year; the corresponding number in 2017 was 391,000.

Analysts remain bullish on TCS’s business model and how the pieces have come together. “Their disciplined approach towards investments in building capability organically, making the early investments in emerging technologies, a strong talent pool, a stable management team, and returning 80-100 per cent of free cash flow to shareholders make it quite unique,” points out Gaurav Dua, Head-Capital Market Strategy, Sharekhan by BNP Paribas. To him, from an investment point of view, factors such as “strong cash flow generation, industry leading margins, lowest attrition rate and superior return ratios” are big pluses.

ORGANIC GROWTH STORY

Stepping into the big shoes of N. Chandrasekaran (who is now Chairman of the Tata group), Gopinathan continued to follow the company’s principles—‘growth is a source of our energy’ and ‘live our values, realise your potential’. The former, in particular, struck a chord since growth, to him, has multiple aspects. In fact, he dwells more on organic growth. “To us, it is also about organic talent development. We are asking our people to be on their toes when it comes to what the customer wants next. That keeps the organisation young at heart because you are constantly learning and also trying out new things,” he explains. It is not as if TCS is not kicked about making that big buyout. With a smile, he says people keep asking him why TCS is always talking about organic growth. He has a pretty straight answer: “We are not against inorganic growth, but isn’t organic growth the measure of health? Everything else can be added on top of that and that is really the history to it.”

Neerav Dalal, Research Analyst, MIB Securities India, elaborates on this strategy. “TCS has done the least acquisitions within the IT services peers, be it Indian or global. In reality, it has not done any, and announcements of acquisition of business carve-outs are really a part of large deals such as acquiring Postbank Systems from Deutsche AG or Pramerica Technology Services from Prudential Financial. It is just re-badging of employees from client rolls to its own rolls,” he says.

Meanwhile, Dua of Sharekhan is of the view that TCS has been very conservative on inorganic growth.

Super Large Companies
Rajesh Gopinathan

CEO and MD, TCS

Revenue from operations	FY21	1,35,963
	Q3 FY22	40,845
Profit before tax	FY21	40,902
	Q3 FY22	12,879
Profit after tax	FY21	30,960
	Q3 FY22	9,959
	RoE (%)	42.02
	Market Cap	13,97,723.55

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of February 7
- Data Source: BSE, ACE Equity

“The management looks at it as a once-in-a-decade opportunity and looks at economic downturns as probably the best time for this, since there are fewer buyers. The approach has instead been to look at capability enhancement and market access through the inorganic route, which in turn can lead to growth.”

HOLDING IT TOGETHER

In a dynamic environment as one sees today, Gopinathan believes it is critical to demonstrate high levels of agility on business planning. That means having a clear mind and knowing the key anchors on which the business is based.

“For us, the primary anchor is the customer and our own talent. I joke internally that we bring in a third angle called investors,” Gopinathan elaborates. Connecting all three is high retention, which brings to the table a big advantage. “You cut back on churn and keep moving forward. The focus is on the customer and employee, and you constantly invest to stay ahead,” explains Gopinathan. That leads to little impact when change takes place. “You don’t need to be too far ahead of the curve in terms of trying to predict what the future is going to be. You just need to be agile enough to move with it,” he says. That is a lot of simple thought, but one that ensures the company stands apart. BT

@nidhisingal

SIMNOVUS DRIVES INNOVATION IN 5G TECHNOLOGY

A visionary entrepreneur, Mr. Saurav Jha, President & CEO of Simnovus, strikes the right balance between tech expertise and business strategy. An engineering graduate from MIT, Manipal, and EGMP from IIM, Bangalore, the passionate entrepreneur excels in technology innovation, business growth and operations. A brilliant business strategy specialist, he is set to rule the cellular wireless industry!



Mr. Saurav Jha
President & CEO, Simnovus

What led to establishment of the Simnovus start-up?

Simnovus was co-founded in 2017 with a vision to disrupt 4G and 5G validation by enabling software innovation, which has been otherwise dominated by proprietary and bulky hardware extensive solutions, by traditional players. Our software focused solution accelerates the 5G based innovations, which our esteemed customer partners sought for, in order to maintain the edge in this ever-evolving technology space.

Today, our software based 5G UE Simulator solution is being used by 40 customers across the globe in countries such as the USA, India, Japan and Europe, and have ensured more than 100% growth in revenue YoY for Simnovus.

What are your future plans and goals?

We aim to establish product led growth by keeping software innovation and technology research ahead of others. Our plan is to add more scalability to our current product, add 5G O-RAN capabilities and in near future, containerize our software solution and bring in SaaS model. We also plan to start our research in 6G technology, collaborate with a few leading universities and academicians, in order to create and manage a sustainable

ecosystem of start ups and disruptors in cellular wireless industry.

Tell us about the uniqueness and customer feedback of Simnovus services or products?

Our product is based on software defined radio technology and it can be installed on any COTS server. Being hardware agnostic, its quick to deliver, easy to deploy, zero downtime, agile and facilitates faster support response. Apart from product and technical support, we also offer our customers to capitalize on our expertise- we partner with them to ensure their success.

This is the reason that we have almost 90% repeat customers with an average ARR of 60% per customer. Our customer end users are our brand ambassadors who spread the positive feedback within their organizations and also across the industry.

What are the challenges that you have overcome to reach where you are today?

We followed a lean start approach where we first engaged with a few hand-full strategic customer labs and created them into our pilot projects, to evaluate our MVP. This exercise was almost 1.5 years long where we didn't make

any revenue, but gained a lot of feedback on product, its features, industry requirements and trends, pricing strategy etc. I think, this was the most crucial phase for us and it really strengthened our positioning in the market. Raising capital was the next challenge in order to execute our scale up strategy and accelerate growth. We had to ramp up our R&D, sales, open more revenue regions etc. It was quite challenging to raise money from India VC and investors community as our product is not B2C and not just India focused. We are a global company with a B2B software-based product with - deep niche tech - which is best appreciated in high innovation and R&D focused economies. We restructured to be a Delaware Corporation company in 2021 and got attention of VCs and angel investors, raising approx. \$1.5M in pre-series round and we aim for another \$3M in Series A, in CY 2022.

What changes can make the industry more result-oriented?

The big change is already visible now, with 5G technology gaining momentum across the globe. There is more focus on open source and dis-aggregated RAN and Networks. All this results in accelerating innovation through software, and less dependency on proprietary hardware. What it means is that there is no better opportunity for start-ups to come up with innovative solutions and disrupt the telecom industry by providing smarter and cost-effective solutions. This is very important in order to strike a balance, as against the consolidation of a few big traditional players and their decades long dominance. In near future, we should see more small size and new disruptors even in operators' space, which will finally provide more and better options and services to the end users.

What is your golden leadership quote?

Think big, start lean, engage customer partners, execute and then scale up. Forming the right founders' team, with the right balance of different skill sets, ambitions, goals and working style, is more efficient and sustainable as compared to a group of only ultra Hi-Tech engineers or just business professionals.

THE MAN WHO RESTORED INFOSYS'S MOJO

Salil Parekh has brought credibility and growth back into the fold of the pioneering IT services company, which had fallen upon difficult times

By **Krishna Gopalan**

68 |

► **A SOFT DEMEANOUR** is not always considered a virtue in business—that is the widespread belief. However, nothing could be further from the truth when one speaks of Salil Parekh. In 2018, he was brought in to salvage the business and image of IT services major Infosys after an embarrassing public spat played out between Infosys's founders and then CEO Vishal Sikka, severely denting the confidence of both clients and investors. Parekh walked into that tense situation having to balance many equations inside and outside—keeping the promoters in good humour and also not losing the trust of clients. Slowly but firmly, the mild-mannered Parekh shepherded the company through the difficult phase—no drama, no public posturing, no demonstrable aggression—and brought it strongly back onto the growth path. So strong that he was an easy winner in the Large Companies category in the *BT-PwC India's Best CEOs* ranking.

Growth rates have quadrupled, revenues and profits are burgeoning, big deals and big clients are climbing at a fast clip, and high profit margin levels show Infosys has retained its traditional strength. And the stock is the market's darling once again—market cap has climbed 216.87 per cent to ₹7.12 lakh crore on February 25 from January 2, 2018, the day Parekh walked into Infosys's corner room as its CEO & Managing Director.

Typically, though, he downplays that part with a

poker face. "My mandate when I joined was to get Infosys to a path that is more connected with the client," says Parekh, speaking to us from the company's vast campus in Bengaluru, looking dapper in a suit and tie. "We needed to be more relevant and that was really it." He explains how a greater understanding of clients' needs against what Infosys can do is what really gets him going. The focus on the client is not just a vital checkbox to tick, but is almost done with maniacal obsession.

Of course, there is also interest in growth through buyouts, and he speaks of it existing in both verticals and geographies. There have been setbacks, too, with much-publicised glitches in the new Income-Tax portal being prominent. But in the larger context, Parekh remains optimistic about what the future will throw up.

GROUND RULES

An aeronautical engineering graduate from IIT Bombay, with a masters in Computer Science and Mechanical Engineering from Cornell, Parekh likes to spend time in an organisation, just like many of his contemporaries. Before taking on the Infosys job, he was a veteran of 25 years at Capgemini, where he was last a member of the Group Executive Board. That was preceded by an eight-year stint at Ernst & Young as a partner.

PHOTO BY SUDHIR DAMERLA



ZEN MAN Salil Parekh, CEO & MD, Infosys

Key Highlights

- ❶ Parekh came in at a time when growth was a struggle and he had to get the company back on track
- ❷ A four-pronged strategy—digital transformation, reskilling, automation and One Infosys—has worked well
- ❸ A relentless client focus is the constant at Infosys today
- ❹ The acquisition strategy with verticals and geographies at the core is aggressively on
- ❺ It has been an impressive comeback in the most difficult circumstances

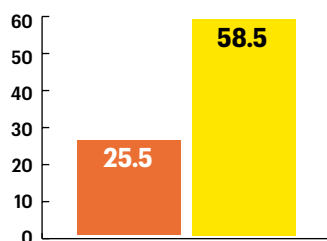
A Bollywood buff, Parekh brings to the table a multi-industry and multi-geography understanding. So, what did he do to set things right at Infosys? “We took a few decisions that worked out well,” he opens up. “The question asked was: what should we do to be most relevant?” The approach, he explains, was first based on digital transformation. That has played out very well, with digital revenue at 58.5 per cent today of the overall pie, from 25.5 per cent in 2018, and the number of \$100-million accounts almost doubling from 20 to 37. “I think we were fortunate when the digital strategy was put in place. It quickly aligned with a scenario (the Covid-19 pandemic) where our clients moved to cloud, data analytics and cloud security,” says Parekh. That new reality also meant the Infosys team had to up its game. Employees were reskilled in new technologies on Infosys LeX, a platform developed by the company as a next-generation learning solution, meant to look at talent transformation. This could be done on their mobiles.

Another key was automation. “We saw many clients

THE FUTURE IS DIGITAL

Revenue proportion from digital (%)

■ FY18 ■ Q3, FY22

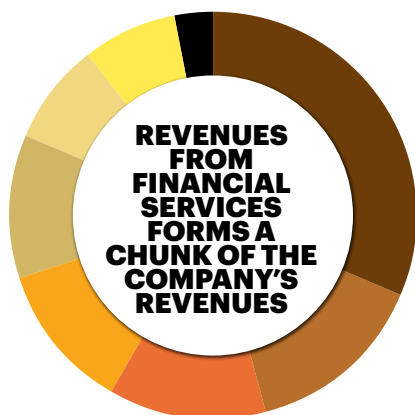
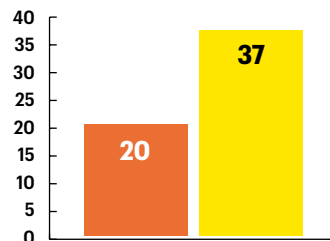


THE BIG CLIENTS

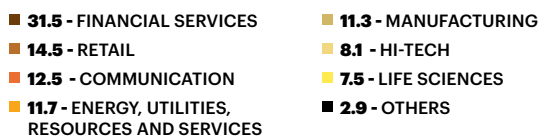
Number of \$100-million accounts

■ FY18 ■ Q3, FY22

Source: Company

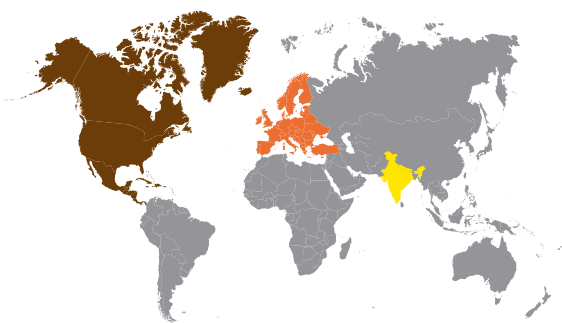


Revenues by business segments (%)



A LION'S SHARE OF REVENUES COMES FROM NORTH AMERICA

Revenues by client geography (%)



GRAPHIC BY RAHUL SHARMA

Source: Company

of ours needed technology and that made the use of AI and ML necessary, only to increase efficiency. By doing that, they could now free up some of that spend to move it to digital transformation,” he points out. Finally, it came down to the team and the concept of One Infosys, “where everyone was working together for the benefit of the client”.

To Parekh, it meant taking the work done within the company to the client and becoming part of a larger transformation programme. “All these put together formed the roadmap, and I can say we are very much in that phase of acceleration. Four years ago, our revenue growth rate was about 5 per cent; last quarter, we were at 21 per cent. Besides, we have grown tremendously on client connect, plus being at the forefront of digital branding in terms of how we are now perceived.”

According to Omkar Tanksale, Senior Research Analyst at Axis Securities, over the period of the past two years, Infosys has combined leveraging its execution prowess with a robust order book. “The company is well equipped to capitalise on the huge demand for digital services. Besides, it has undertaken several measures to control operating costs while continuing its focus on the revenue growth momentum,” he emphasises. Its digital platform, Cobalt, to him, along with the geographical presence and vertical-wise specialisation, “are expected to help in capitalising on the strong demand across verticals”.

There are other positive outcomes of this effort. Amit Chandra, AVP-Institutional Research (IT), HDFC Securities, is clear that the recent increase in guidance by 250 bps to 19.5-20 per cent is a clear indication of

the management's confidence. "Growth has been driven by strong sales and execution capabilities. Infosys's large deal TCV (total contract value or how much it is worth after execution) is up around 2x from pre-Covid-19 levels and the pipeline remains strong."

Parekh is a strong believer in the importance of a team doing well. "The foundation of Infosys is very strong. For me, it is really a question of enabling the team to maximise their potential, plus just being more aligned to the client," he says. The question most often asked relates to the role of the promoters, an issue that, in the past, has been contentious for all the wrong reasons. To Parekh, the promoters "are visionaries and I am available to them anytime". His boss is Nandan Nilekani, Co-founder and Chairman of Infosys, a person known for his networking skills and the ability to tactfully manage a tricky situation. "I seek Nandan's guidance on a regular basis," says Parekh.

SUSTAINING GROWTH

The nuanced acquisition story is one that stands out in Infosys under Parekh. "The growth engine for the company has been largely organic, with the acquisitions being done for capability and filling some gaps," says HDFC Securities' Chandra. What are these gaps? "There are a few specific spots," says Parekh. "For instance, we have to deepen our cloud capability and also expand our footprint in some geographies." Almost gently, he mentions the fact that Infosys has "a strong balance sheet with \$4 billion in cash and no debt".

Inorganic growth is important but it's not as if he has a war chest. "Cloud and SaaS are good opportunities. Acquisitions are very much a part of our story," he says. Accord-

#BeTheBetterGuy
A Road Safety Initiative



THE RIGHT WAY IS THE ONLY WAY



In the previous issue, we spoke about over speeding – which is one of the most hazardous activities on Indian roads and which causes frequent accidents. This time around, we will be talking about a violation which seems like it happens every time our motorists and bikers take to the roads - going against traffic.

If you're driving against the flow of traffic and designated lanes, then your vehicle is on what's called "wrong side."

The law clearly states that you should never drive on the wrong side of traffic, no matter how short a distance it is. Wrong side driving is dangerous and cannot be justified. It doesn't matter if you are trying to save fuel or time, the risk of getting into an accident makes it wrong for any situation.

Reversing against oncoming traffic because you overshot your exit or missed a turn is also considered wrong side driving.

CONSEQUENCES OF WRONG SIDE DRIVING

Wrong-side driving can be hazardous to your safety and the safety of those around you. You are heading into oncoming traffic, which means that other vehicles will have to change lanes to bypass and avoid hitting you. This unsafe lane shift can be potentially dangerous.

When it comes to driving on the wrong side at night, many people are unaware of the dangers that can arise from doing so with your car lights on high beam. Full beam lights from both sides can blind drivers and thus increase the chances of an accident significantly.

The other possibility is that when people emerge from intersections, they usually look to the right before merging into traffic. They neglect to inspect the left side, which is completely fine! However, if there is a vehicle approaching from the wrong side, the risk of a collision increases exponentially.



Even pedestrians crossing the road tend to ignore looking on the left side since they don't anticipate traffic coming from that direction.

To curb wrong side driving, the MoRTH has taken serious steps since 2019. The violators are handed out hefty challans (which can go up to Rs 5,000) by the traffic police. There's also a chance of the driving license getting confiscated. Also, as per the amended Motor Vehicles Act, the offenders can even be taken to court.

In other words, by driving on the wrong side, you might not only cause a major accident but also end up spending money paying a fine.

So, be the better guy and saying NO to wrong side driving.



“Growth has been driven by strong sales and execution. Infosys’s large deal TCV (total contract value or how much it is worth after execution) is up around 2x from pre-Covid-19 levels and the pipeline remains strong”

AMIT CHANDRA
AVP-INSTITUTIONAL
RESEARCH (IT),
HDFC SECURITIES



“The company is well-equipped to capitalise on the huge demand for digital services. Besides, it has undertaken several measures to control operating costs while continuing its focus on the revenue growth momentum”

OMKAR TANKSALE
SENIOR RESEARCH ANALYST,
AXIS SECURITIES

72 |

ing to Chandra, Infosys is very strong in the North America region and is looking to expand into Eastern Europe and Australia: “With the new delivery model, expansion in newer geographies has become easier and the talent has also become very fungible. Infosys has very strong partnerships with the hyperscalers (such as Amazon Web Services, Google Cloud and Microsoft Azure), and the growth rate is aligned to the hyperscalers’ growth.”

Axis Securities’ Tanksale gives Infosys credit for “superior strategies in terms of acquisitions and expanding inorganically”. He points out that all the buyouts have been capability-based. “That has helped in providing

specialised services in the respective verticals and also bolstered its foothold in geographies,” he says. Citing examples such as Fluidio, Brilliant Basics, Simplus, Stater, Blue Acorn and the Daimler partnership (the last being a contract won), he says, “they have played a key role in helping the company achieve a strong foothold in the automotive vertical”.

In an era of cutting-edge technology, Parekh’s strategy is well laid out. The flavour of the season is blockchain and he admits it is critical for Infosys. “When it comes to tracking data, it is a very effective approach. A good example is the payment side in financial services,” he explains. At the same time, he emphasises that cloud, data analytics, and AI are at the top of the four pillars of the company’s new growth story, followed by blockchain.

Tanksale maintains that the Infosys leadership “implemented multiple key initiatives to fuel its growth that have been bearing fruit for a while now”. He outlines areas such as investing in digital capabilities and energising the core by infusing AI and automation, which helped in capitalising on demand. “Again, reskilling its employees at the scale of the client was important, apart from hiring in local markets leading to cost control. We believe Infosys will attain double-digit revenue growth over the next three to five years,” says Tanksale.

The five-year horizon is crystal clear in Parekh’s mind. “Both as a business and as a company, we are in a very good position. We must be vigilant in connecting with the client... We do not want to be complacent.” The determination, even in that soft tone, is unmistakable. **BT**

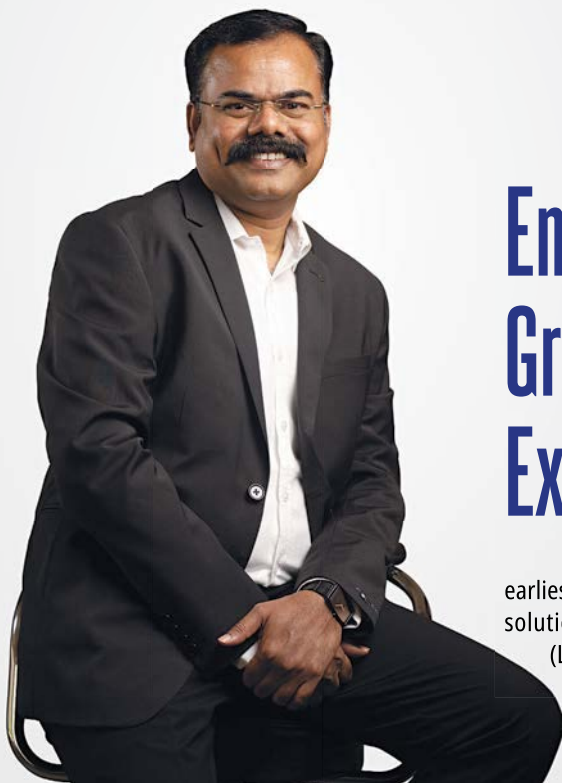
@krishnagopalan

Large Companies Salil Parekh

CEO & MD, Infosys

Revenue from operations	FY21	85,912
	Q3 FY22	27,337
Profit before tax	FY21	24,477
	Q3 FY22	7,789
Profit after tax	FY21	18,048
	Q3 FY22	5,870
	RoE (%)	27.12
	Market Cap	7,21,203.80

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of February 7
- Data Source: BSE, ACE Equity



Ebenezer Daniel G
Founder, MD & CEO

Empowering Rural India's Growth Aspirations with Fintech Expertise & Rural Distribution.

earliest enterprise to develop proprietary solutions like Loan Origination Systems (LOS), Loan Collections Systems (LCS), and Loan Management System (LMS) embedded with state-of-the-art capabilities that has given more scope and strength to business scale, Operations, Risk Management, and Customer Service.

A first-generation entrepreneur, Ebe, today leads an extensive workforce of more than 1700 strong employees to achieve many landmark milestones which includes 75 branches across the 5 states of South India covering 35000+ pin codes with aggressive expansion plans in the pipeline to expand its operations intensively within the southern states. ORFIL's Asset Under Management is expected to cross Rs.400 Crores by March 2022, while the invested capital for the corresponding period at Rs 150 Crs.

ORFIL smartly pre-empted all market challenges by timely adapting to the business needs by infusion of equity, debt raise from Banks & FI's, attracting talents and building required skill sets to grow the business.

As always ahead of the curve, ORFIL, launched 'ORANGE FINMOBI' (App) to empower customers for purchasing two-wheelers via the digital mode. From onboarding the customers to delivering the two wheelers at doorsteps 'ORANGE FINMOBI' is dream come true for its Founder Mr. Ebenezer Daniel G. Further exploring innovative solutions, ORFIL is set to introduce a fully integrated co-lending platform to connect Banks and FI's to ORFIL loan origination and to disburse joint loans to the borrowers. The platform will offer

discovery, operations, and monitoring modules, reports, dashboards etc. to empower the co-lender to oversee the end-to-end loan cycle management. Another of its ambitious endeavors is an end-to-end tech-based two-wheeler marketplace that will serve as a one-stop solution for all the TW needs of the country.

ORFIL has recently launched two new products streams - pre-owned two-wheeler finance & Loan against two-wheelers. ORFIL is also exploring pre-approved pre-paid cash cards for existing customers and Two-wheeler purchase on a subscription model. The NBFC has plans to offer a self-help app for Rural Dealers, that'll empower them to be an origination partner in the last mile and enable a seamless flow from onboarding to disbursal.

In another defining move, ORFIL has already forayed into the Electric two-wheeler space and has tied up with major Electric Two-wheeler manufacturers in the country for financing EV's to delight the customers across geographies through cutting-edge digital technology.

ORFIL leveraged the tough pandemic times to prepare for next horizon of growth in terms of revamped business model, Senior Management recruitments, new technological innovations, improved process with superior controls. With an unparalleled rural reach built over last 8 years, the stage is all set for ORFIL to become one of the premier players in the Rural space, gearing to achieve an AUM of Rs. 6000 Crs in 5 years by leveraging on the Brand, its human capital, proprietary tech-stack and thereby becoming one of rural household financier in the country with extensive product offerings from mobility to livelihood.

Orange Retail Finance India (ORFIL) is among the most successful Non-Deposit-Taking NBFC in the country founded by Mr. Ebenezer Daniel G, MD & CEO, in the year 2014. Committed to energizing and giving momentum to economies in unserved or underserved areas, the company offers a robust easy-to-access, low-cost mobility, livelihood solutions and customized product offerings through quick loan processing. ORFIL's strong distribution network is supported by cutting-edge digital technology, which will enable the Rural Fintech NBFC to disburse 1000 crores by March 2022 covering more than 1.5 lakhs customers ORFIL's current offerings include, Two Wheeler Loans, Swift Cash Loans and Loan against property.

The socio-economic growth of any country depends on the strong foundation of its larger majority, as in the case of India, which resides in the rural and semi-urban markets. Having over two decades of work experience in telecom sector and in retail distribution in far-flung areas, Mr. Ebenezer Daniel G, Founder of ORFIL, had a good understanding of the problems faced by people living in the hinterlands, a gap that he ventured out to fill by exploring through technology. ORFIL is amongst the

Streaming Efficiencies

Under Sanjeev Kumar's leadership, Gujarat Gas, the country's largest city gas distributor, has also become a study in successful reverse privatisation

By **Manish Pant**

► **TO ANYONE MEETING** him for the first time, Sanjeev Kumar, Managing Director, Gujarat Gas Ltd (GGL), may come across as a soft-spoken academic. But this demeanour can be highly misleading. The impressive numbers clocked by the country's largest city gas distributor (CGD) company tell an altogether different story. Under Kumar's leadership, GGL reported ₹10,042.28 crore revenue from operations, with profit after tax of ₹1,275.5 crore (three-year CAGR of 63.58 per cent) in FY21. It is this that has made the 1998 batch IAS officer of the Gujarat cadre the winner in the Emerging Companies category of the BT-PwC India's Best CEOs ranking.

The performance becomes even more credible once you realise that the company has successfully met several challenges since the March 2020 nationwide lockdown. "Gas demand fell by over 80 per cent within days due to disruption in economic activity. However, we believed

that the effects of the pandemic were but a pause and the country would bounce back. As a result, we invested 40 per cent higher growth capex during the period," says Kumar. Consequently, GGL was able to unveil a record 150 CNG stations in the previous fiscal, the highest by any CGD entity in India. Further, the company added more than 100,000 households to its customer base, and also fast-tracked the laying of more than 3,000 km of pipelines. The period witnessed commissioning a record number of new markets, with its CGD network getting rolled out in Rajasthan, Madhya Pradesh, Haryana and Punjab.

With the help of the LNG trading arm of Gujarat State Petroleum Corp. (GSPC), GGL strengthened its natural gas supplies by changing the portfolio mix through long-term deals at reasonably attractive prices to offset the increase in spot LNG prices. This helped them in providing natural gas to customers at competitive tariffs.

Biting the Bullet

But that's not the end of the story. "When the LNG prices spiked, GGL increased the tariff for industrial consumers by 55 per cent. Nobody had thought that they would be able to push through such a steep increase. But they surprised everyone by doing that, putting to rest a lot of concerns around their pricing power," says Harshvardhan Dole, Energy Analyst at financial services firm IIFL Securities.

On being asked how they were able to achieve that, Kumar smilingly remarks: "Our close engagement with large industrial consumers helped convince them of the necessity for a hike. We also managed to persuade them to draw lower quantities of gas to ensure a regular supply to small customers, which helped us in purchasing slightly lesser quantities of expensive LNG."

This ability to move quickly on pricing-related deci-

Emerging Companies

Sanjeev Kumar

Managing Director, Gujarat Gas

Revenue from operations	FY21	10,042.28
	Q3 FY22	5,241.16
Profit before tax	FY21	1,704.70
	Q3 FY22	161.88
Profit after tax	FY21	1,275.50
	Q3 FY22	121.93
	RoE (%)	32.82
	Market Cap	47,529.90

● Standalone results; all figures in ₹ crore except RoE

● M-cap as of February 7

● Data Source: BSE, ACE Equity



PHOTO BY NANDAN DAVE

sions provides stability to the company's margin profile. By the time the first wave of the Covid-19 pandemic ebbed, GGL became the first CGD in India to cross 10 million metric standard cubic metres per day (MMSCMD) gas sales volume to touch the record high volume of 12 MMSCMD. Similarly, CNG sales not only recovered sharply but jumped more than 25 per cent over the pre-pandemic level.

Aggressive Expansion Strategy

The company has charted out an aggressive expansion strategy as more regions are opened for CGD operations. It has set its sights on Ahmedabad district, which holds high growth potential due to the presence of a large number of industrial clusters. It recently commissioned 17 new markets, which were won through competitive bidding. It is also looking at expanding its CNG infrastructure at the same pace. It now plans to double capex to ₹1,000 crore from an average of ₹500 crore a year.

KING OF CGD Sanjeev Kumar,
Managing Director, Gujarat Gas

Key Highlights

- ➊ GGL is India's largest city gas distributor with ₹10,000 crore-plus revenues
- ➋ GGL has unveiled a record number of 150 CNG stations in the previous fiscal, the highest by any CGD entity in the country
- ➌ GGL became the first CGD in India to cross 10 MMSCMD gas sales volume, touching a record high of 12 MMSCMD
- ➍ GGL plans to double capex to ₹1,000 crore from an average ₹500 crore a year
- ➎ GGL has charted out an aggressive expansion strategy as more regions are opened for CGD operations. It recently commissioned 17 new markets

| 75

"Gujarat Gas is a successful example of reverse privatisation (it was earlier a private company owned by British Gas). All our processes are aligned with global best practices. In the recent past, we have introduced periodic review for all key performance indicators, which are now helping us periodically monitor business progress," says Kumar. In the past few years, the central government's efforts at extending the gas grid to more cities have resulted in the entry of a large number of public and private sector entities into the CGD business. So, will enhanced competition impact GGL's future growth? "There is no direct impact of this on us as a company since India is a huge market, with enough space for everyone to grow. Moreover, only a fraction of the country has been covered with CGD networks so far. The way the business is expanding, I am confident that we will continue to thrive," asserts Kumar. **BT**

@manishpant22



Dr. S. Gurushankar
Chairman of Meenakshi
Mission Hospital & Research
Centre, Madurai

AN EXEMPLARY LEADER, ACCOMPLISHED DOCTOR AND PHILANTHROPIST, **DR. S. GURUSHANKAR** HAS ALWAYS STOOD UP FOR THE WELLNESS OF PEOPLE

With several awards to his credit and profuse appreciation from stalwarts, Dr. S. Gurushankar, a man of deeds, is dedicated to uplifting the lives of people and lend a helping hand

Motto and Philosophy

Dr. S. Gurushankar is a young, dynamic leader who lives by the principle of Aram Seiydhu Pazhagu, a Tamil phrase which, loosely translated, means 'giving begins with you'. This encapsulates his philanthropic spirit and compassion towards helping people in need and uplifting their lives.

The Magnitude of Dr. S. Gurushankar's Responsibility

Dr. S. Gurushankar is the Chairman of a diversified, NABH-accredited hospital group which is more than 1,250-bed strong. The Group encompasses the 1,000-bed Meenakshi Mission Hospital & Research Centre at Madurai and the 250-bed Meenakshi Hospital at Thanjavur.

Dr. S. Gurushankar has served as the President of Tamil Nadu Chapter of the Association of Healthcare Providers of India (AHPI) for five consecutive years. The organisation has over 350 large- and medium-size hospitals in Tamil Nadu under its banner. He is also an active member of the Confederation of Indian Industry (CII) in Tamil Nadu and the National Vice President of the Federation of Hospital Administrators.

First to venture at Thanjavur

Dr. S. Gurushankar has made a massive impact on the healthcare infrastructure of Southern Tamil Nadu through his project at Thanjavur, the first multi-speciality hospital in the state's Delta districts.

The 250-bed Meenakshi Hospital was the first and only hospital in the region to commission a cardiology department with a fixed Cath Lab, offer a well-equipped Emergency & Trauma unit, perform Kidney transplants, and conduct minimally-invasive cardiac surgeries for children. Thousands of life saving emergency procedures have been done and lives have been saved in this hospital in Thanjavur. If not for this hospital in Thanjavur, patients would have no other option but to travel to a nearby city called Trichy and by that time their lives would have been lost due to the long distance.

The hospital hosts the largest dialysis facility and offers the most comprehensive cancer care in the entire Delta districts. It is the first and only NABH-certified multi-speciality hospital in the region. Last, but not the least, Meenakshi Hospital is the first and only hospital in that region to

About Dr. S. Gurushankar

Dr. S. Gurushankar, Chairman of Meenakshi Mission Hospital & Research Centre, Madurai, was born to the well-known, award-winning urologist, Dr. N. Sethuraman. He pursued Medicine at the Sri Ramachandra Medical College, Chennai, and management training programmes from IIM Bangalore and at Harvard Business School.

Dr. S. Gurushankar is an avid reader, which empowers his zeal for thought leadership in the healthcare domain. In addition to being a well-known doctor and healthcare professional, he also takes keen interest in management strategy, marketing innovations and medical technology.

treat foreign patients under medical tourism. With Meenakshi Hospital, Dr. S. Gurushankar has put Thanjavur on the global healthcare map.

A Pioneer Who Paved the Way for New Highs

Under the stewardship of Dr. S. Gurushankar, the Meenakshi Mission Hospital, Madurai, has notched several firsts to its credit. It offers quality care for patients of all age groups, from paediatrics to geriatrics, with more than 45 clinical specialities.

The hospital is the first in South-East Asia and India to acquire an Optical Coherence Tomography (OCT) machine integrated into a Cath Lab. It is also the first in South Tamil Nadu to have a robotic surgical facility and bone marrow transplant centre.

The hospital's Emergency Medicine Department is the most well-equipped and successful in the entire region.

In the Times of Covid

When the world was confronted with the ongoing pandemic, Dr. S. Gurushankar's out-of-the-box thinking and advice towards crisis management were well-received and acclaimed by everyone, including the Government. His knack for seeing opportunity in adversity led him to overcome the humongous challenges posed by the once-in-a-lifetime public health emergency.

Under Dr. S. Gurushankar's tutelage, the much-acclaimed '6-Stage Ultra Safety Program' was devised at the Meenakshi Mission Hospital to keep patients and staff safe from Covid-19. This novel initiative, a testimony to his exemplary vision and leadership skills, got Meenakshi Mission Hospital & Research Centre an award for 'Excellence in COVID Management' in August 2021. Other significant initiatives from Dr. S. Gurushankar to better combat the pandemic included installation of Teladoc health robots at the hospital, which got appreciation from the Tamil Nadu Health Secretary. Meenakshi

Mission Hospital is the first in the country to install the Teladoc health robots, which is being used by 6 out of the 10 world's best hospitals.

Help in the Midst of Destruction

Cyclones are devastating and deadly – just ask anyone who has witnessed one or been around one! In 2019, Cyclone Gaja wreaked havoc in the Delta region of Tamil Nadu. In that time of peril, Dr. S. Gurushankar helped the victims by organizing more than 125 medical camps and non-stop relief work. Apart from medical works, He also built concrete houses for people who had their dwellings washed away. He also arranged distribution of more than 10,000 coconut saplings and 1,000 coconut leaf weavings, along with essential medicines, to the needy.

Dr. S. Gurushankar's efforts and zeal to help others in time of crisis and disasters received much-deserved praise and appreciation from the Government of Tamil Nadu.

Talking Through his Philanthropy

Dr. S. Gurushankar has unmatched zeal for philanthropic work and supporting social causes. Under his guidance, Meenakshi Mission Hospital at Madurai has conducted over 13,500 free cleft lip and palate surgeries for children and provided free treatment to more than 3,000 cancer-afflicted children over the last few years.

Significantly, the Meenakshi Mission Hospital has also completed more than 150 free heart surgeries till now for the poor and the needy. It also runs one-of-a-kind scheme in which all patients at the hospital are provided meals absolutely free of charge.

Dr. S. Gurushankar has made significant donations for various charitable causes. In 2012, he contributed Rs 20 lakh towards Chief Minister's Public Relief Fund for rehabilitation of the Thane cyclone victims. In June 2021, the Meenakshi Mission Hospital donated oxygen

concentrators worth Rs 1.5 crore to the Government of Tamil Nadu and Rs 25 lakhs towards the Tamil Nadu Chief Minister's Public Relief Fund. In addition to the charity in the State of Tamilnadu, Meenakshi Mission Hospital also donated 25 oxygen concentrators to the Government of Bihar.

Appreciation from High-profile Personalities

Dr. J. Radhakrishnan, Health Secretary of Tamil Nadu, appreciated the Teladoc Health Robot's functionality deployed at the ICU and Covid-19 wards of Meenakshi Mission Hospital.

Other esteemed personalities to appreciate Dr. S. Gurushankar's work were Supreme Court Judges Hon'ble Justice Sanjay Kishan Kaul and Hon'ble Indira Banerjee. The renowned legal luminary were impressed with the free medical services provided by the hospital to patients from a poor socio-economic background, especially those who could not afford cancer treatment.

Awards and Accolades

Dr. S. Gurushankar has received several prestigious awards in over the years. In 2016, he was conferred with the 'Emerging Entrepreneur Award' by CII. He was feted with the Lifetime Achievement Award by The University of IOWA, USA, for his contribution towards rural health services in India. Yet another award presented to Dr. S. Gurushankar was the NIPM Award in 2016 for his commitment towards promoting holistic healthcare in the society. In 2021, Dr. S. Gurushankar received the Healthcare Chief Executive Officer of the Year Award at the Economic Times Health Awards.

No matter what their economic standing or income levels, the philanthropic zeal and compassion of Dr. S. Gurushankar have made affordable and quality healthcare accessible to hundreds of thousands of needy people over the years, transforming their lives for the better.

Speed of Thought

Mayank Singhal speaks as fast as he thinks. It reflects on his company's growth

By **Alokesh Bhattacharyya**

78 |

► **IF YOU THINK** you speak fast, you should meet Mayank Singhal. The Vice Chairman and MD of PI Industries, a major player in agrochemicals, can dumbfound you by his speed of thought and speech. And his company's growth is a worthy match. More important is the consistency. Despite the Covid-19 pandemic, PI Industries has grown its revenue and profits each year since 2018. And in the first nine months of FY22, it has grown its revenue and PAT by 16 per cent and 14 per cent, respectively. Plus, PI's margins are way higher than its industry peers. "Our focus is to be on the higher end of the value chain with more complexities, which offer exceptional margins," explains Singhal, an easy pick for the jury of the BT-PwC India's Best CEOs ranking as the winner in the agri and allied sector.

PI sells insecticides, fungicides, herbicides, etc., under its own brands, and also provides R&D and CSM (custom synthesis manufacturing) services to large agrochemical companies globally. "We initially had very strong inroads in Japan, then we moved into Europe, the American continent, and now Brazil and some other parts of the world," says Singhal of his company which has 75 per cent of its revenue coming from overseas.

With so much expertise in chemicals and chemistry, it was but natural for Singhal—and PI—to move into pharmaceuticals. "We will start with intermediates, then look at APIs, and eventually move into the CDMO (contract development and manufacturing organisation) model," says Singhal. Anil R., Analyst at Geojit Financial Services, is bullish about PI's growth potential: "The company's focus is going to be on value-added products. They have strong R&D, and have the capacity and technical knowledge."

The company is aiming for 20-25 per cent growth over the next several years. "We are looking at the M&A route in the pharma space to catapult to the next level, and also working on certain organic approaches internally," says Singhal, whose colleagues say "dynamism" is the word that best describes him. More like dynamite, we think. **BT**

@alokeshb



READY FOR ACTION Mayank Singhal, Vice Chairman and MD, PI Industries

Key Highlights

- ❶ PI Industries has grown its topline and bottom line even during the pandemic
- ❷ Profit margins are the best in the industry
- ❸ The company wants to leverage its experience in chemistry to enter pharmaceuticals
- ❹ Around 75% of the company's revenues come from overseas markets such as Japan, the US, Europe and Brazil, among others
- ❺ Singhal is confident of growing topline at 25% YoY for the next few years

Agriculture & Allied

Mayank Singhal

Vice Chairman & MD, PI Industries

Revenue from operations	FY21	4,276.20
	Q3 FY22	1,302.60
Profit before tax	FY21	910.00
	Q3 FY22	258.60
Profit after tax	FY21	718.90
	Q3 FY22	214.80
	RoE (%)	18.25
	Market Cap	39,541.53

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of February 7
- Data Source: BSE, ACE Equity

Rammohan Sundaram of DDB Mudra Group, is revolutionizing the Media Industry

Online consumption of media is on a fast-growing trend. Each day, people are going online more to find what they are looking for. With faster network services and the inception of smartphones, online content consumption has been rapidly increasing globally.

Way back in the 1980's, it was never easy to visualize things - an era of the offline world. DDB Mudra group was incepted back then with 15 talented people, 500 square feet of room, and an insatiable hunger to be the best creative agency ever. That's how it all started on the 25th of March 1980.

Today, the DDB Mudra Group is one of India's most effective creative agencies. Driven by their dynamic philosophy and quality work, they have built a reputation for creativity that delivers results. Most importantly, they are known for the kind of creativity that touches lives and makes a difference.

Patience and perseverance are a deadly combination but that's what it takes to be a grandmaster

Rammohan Sundaram

Rammohan Sundaram heads the DDB Mudra media function across all touchpoints for the group responsible for client budgets over \$330M (RECMA) in P&L in India.

Ram is a CXO-level digital leader, has been an entrepreneur thrice, and successfully exited twice. His first venture NetworkPlay was sold to Bertelsmann AG's Gruner. His second venture was merged with SVG Media, which is now part of Dentsu Aegis Network. His last venture



Rammohan Sundaram
Country Head & Managing Partner –
Integrated Media

VelfieApp couldn't scale as planned and is parked.

He has held global leadership positions as CEO, MD, SVP, VP, and Director at organizations like C1X Inc., Reliance JIO, Ibibio Group (now part of MakeMyTrip.Com), Tribal DDB (Omnicom Group), Madison Communications, Jobsahead.Com (now part Monster.Com) and Indian Express.

He has also been Founding Chairman at ad: tech, iMedia, and TechCrunch in India and is credited for launching LinkedIn in India through the JVs he formed for NetworkPlay and PlatformPlay.

For some of his stellar achievements, he has won several awards across the globe including at Cannes, World Brand Congress, and CMO Asia. He has ranked 39th in 100 Impact Marketers for India in 2020-21. Recently in January 2022, he was named Most Inspirational Leaders of Asia by White Page International.

Mr. Ram also holds a Doctorate in Business Administration from S.P. Jain School of Global Management. Ram is a proud Bruins Alumni too, completed his

PGPX from UCLA Anderson School of Management. He holds double graduation in Engineering, a double master's in business administration and digital business. He has completed a residential Executive Management Program from HBS in Strategic Marketing Management also.

Talking about his future goals, Mr. Ram gave us a clear thought, "Having grown the business to over 15% in the pandemic year, we are determined to take the media business to new heights and 2022 has begun with a bang with some big wins in media including Life Insurance Council, Infosys, and Rajasthan Tourism.

His other plans include technology and data-led digital offerings for which DDB Mudra launched its Agency Trading Desk – Bingo, which is the first of its kind - a fully transparent platform.

Mr. Ram discussing about the goal is to lead the market with disruptive product offerings that will bring value for advertisers in one of the most commoditized advertising markets of the world.

Talking about challenges and how he overcame them, he told, there were many challenges. First was to get change and growth as mindsets across all team members, then bring about the necessary product changes keeping in mind the demography of the country and using that as an advantage to win businesses and grow.

Mr. Ram is optimistic about the media industry. He believes that the industry is robust but media and advertising are dependent on many factors including the economic growth of the country and hence brands should think long terms and not consider media and advertising as costs but as investments for the future. This mindset is critical for the betterment of the industry.

TYRE KING

Arvind Poddar, the CMD of Balkrishna Industries, has been able to steer the company by adapting to the changing times

By **Prerna Lidhoo**

► **WITH ORIGINS IN** the textile business going back to 1951, Mumbai-based Balkrishna Industries (BIL) started as a bicycle tyre maker and then added auto rickshaw and car tyres to the mix. Arvind Poddar, the chairman & managing director of the company, succeeded his father Mahabirprasad Poddar who founded the family-run company. Today, it is one of the fastest-growing companies in the auto ancillaries sector. It not only manufactures and distributes OTR (off the road) tyres for agricultural and construction vehicles but has also pivoted to earthmoving and mining tyres along with those for all-terrain vehicles.

Poddar, who became the chairman in 2016, has been able to steer the company by adapting to changing times. Under him, the company's performance was led by strong demand across geographies including Europe and the Americas leading to highest-ever volumes. It is slowly gaining market share in geographies, including the US. The company's revenue grew to ₹2,030 crore in Q3FY22 and its volumes grew 19 per cent year-on-year to 72,750 tonnes. Poddar is the winner in the Auto & Ancillaries category of the BT-PwC India's Best CEOs ranking.

For Poddar, developing new and innovative solutions and continuously investing in R&D are key. A Motilal Oswal report, put out after the company's Q2FY22 numbers, said that the demand momentum continues to remain strong on the back of strong economic activity. "It [BIL]

FAST FORWARD
Arvind Poddar,
CMD, Balkrishna
Industries



Key Highlights

- 1 Balkrishna Industries is one of the fastest growing companies in the auto ancillaries sector
- 2 Revenue grew to ₹2,030 crore in Q3FY22 and volumes grew 19 per cent year-on-year to 72,750 tonnes
- 3 It can produce a maximum of 285,000 tonnes/year from its current capacity
- 4 For Arvind Poddar, developing new and innovative solutions and continuously investing in R&D are key

Auto & Ancillaries

Arvind Poddar

Chairman & Managing Director, Balkrishna Industries

Revenue from operations	FY21	5,757.92
	Q3 FY22	2,029.95
Profit before tax	FY21	1,530.99
	Q3 FY22	438.72
Profit after tax	FY21	1,155.38
	Q3 FY22	328.58
	RoE (%)	20.94
	Market Cap	43,403.58

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of February 7
- Data Source: BSE, ACE Equity

can produce a maximum quantity of 285,000 tonnes/year from its current capacity. Additional growth would come from ongoing projects," the report said. It added that it expects other expenses to remain at current levels for the remaining part of FY22. "It is taking a quarterly price hike and should maintain a 28-30 per cent operating margin annually on a long-term basis," it said.

"Its competitive advantage is driven by competitive cost and pricing; consistent product portfolio expansion; and expanding reach," the report said. With a current market share of nearly 6 per cent in the \$15-billion global specialty tyres segment, BIL aspires to increase this to 10 per cent over the next 4-5 years. It has chalked out a capex of nearly ₹1,900 crore over the next two years. "It would allocate ₹800 crore for setting up new capacity, ₹650 crore for carbon black capacity expansion, and ₹450 crore for plant automation," the report said. **BT**



Flipspaces Founder & CEO Kunal Sharma envisions reimaging interior design of spaces through technology.



Kunal Sharma
Founder & CEO, Flipspaces

The most pathbreaking innovations are often based out of a simple idea. It is consistency, belief and the will to break away from traditions that counts. Flipspaces Founder & CEO Kunal Sharma is paving the way for market-defining innovations in the interior design and build space on the simple belief that design, product supply and execution needs to be seamlessly connected through technology for better customer experience.

The IIT Bombay alumnus possesses over 17 years of rich entrepreneurial experience, besides a deep domain expertise in business strategy, sales, design, operations, and product management. He has earlier built, scaled and exited Mexus Education, an Ed-Tech startup that he, along with his co-founders, led to the position of one of India's largest educational venture serving over ten thousand schools.

The restless entrepreneur is now at the helm of Flipspaces, a venture that he wishes to make the largest Interior Design-Tech venture globally, catering to multiple stakeholders challenges in the domain.

Transforming the Future of Design

Sharma's passion for sustainable business models has led him to envision a future where spaces will be designed and executed through technology. His venture Flipspaces and the entire array of products and services they offer are based on Sharma's philosophy of "Make it simple, but significant." Founded in 2015 by Kunal Sharma and Ankur Muchhal, the venture has designed and delivered for

over 5 million sqft of space across countries, combining effective design strategies, a customer-centric platform, and a robust supply chain ecosystem.

Sharma believes that the key for a business to thrive is to engage, include and interact with customers throughout. This is the reason behind Sharma strategizing an integrated technology stack for Flipspaces, that enables an amalgamation of design, product supply and delivery experience under one umbrella for its customers.

Sharma's market-defining venture has established a strong global presence in a very short span of time, with dedicated offices in Mumbai, Bangalore, and more recently in New York. The US vertical has grown over 35 times in the last six quarters and continues to move along the impressive growth trajectory at an unprecedented pace.

The Journey with a Vision

The cue for Sharma to step into the field was upon realizing how chaotic and unconsolidated it was, plagued with highly price-sensitive demands, countless yet unorganized small- and medium-sized service providers, and lack of technological intervention. Sharma made Flipspaces get committed to addressing the issues of supply chain fragmentation and product visualization in the industry with his tech-enabled products and services. The increased impetus on technology is driving organizational efficiency in the design and build verticals of Flipspaces. Sharma believes that doing the same things differently and dreaming big is what has led to the exceptional entrepreneurial culture

at Flipspaces.

The design and technology enthusiast is keen on rolling out a unique suite of products called the Vizworld tech suite as a SaaS offering for third-party stakeholders in the near future. This, coupled with further geographic expansion of the company is set to earn for Flipspaces the position of a global leader in tech-led interior design of commercial spaces.

When asked about his motivation behind the venture and his relentless innovative pursuits, Sharma remarks, "Flipspaces is our dream that we see awake. Because we realise the only dreams that come true are the ones that are seen with open eyes, through the night up till dawn, with a black coffee on your desk!"

He adds, "Technology is changing seller and buyer behaviour across the globe creating unprecedented, data driven efficiency across sectors. Design and Build is a \$1 Trillion plus industry globally. We believe it can be disrupted using technology. That's exactly what we are doing at Flipspaces!"

Banking on People

Padmaja Chunduru, who was Indian Bank's MD and CEO between 2018-21, oversaw the successful merger of the bank with Allahabad Bank

By **Anand Adhikari**

82 |

► **THREE YEARS AGO**, there were rumours that Indian Bank would be the frontrunner for a merger with a larger public sector bank. Padmaja Chunduru, Indian Bank's new MD and CEO, wanted the bank to be the anchor bank rather than a target bank. In fact, the merger was not on the table when she began her CEO journey in September 2018. This veteran with nearly four decades of banking expertise was hand-picked by the government from the country's largest bank, the State Bank of India (SBI), to lead the mid-sized bank. "The bank was well placed to be an anchor bank for consolidation in the public sector banking space," says Chunduru. She started pitching the Indian Bank story to everyone who would listen. She was vocal about the bank's profitability record, management bandwidth and capital soundness. In August 2019, her persuasive skills paid off when the government announced Indian Bank as the acquirer for Kolkata-based Allahabad Bank, one of India's oldest PSBs.

Chunduru's leadership skills were on full display at the Indian Bank between September 2018 and August 2021. After she retired, the government rewarded her with the position of MD & CEO of the National Securities Depository Ltd (NSDL). In a three-year period, the bank's total income increased by 32.28 per cent YoY to ₹45,185 crore. At ₹3,004 crore, the profit after tax has grown at a CAGR of 33.64 per cent. The return on equity was 11.61 per cent and the return on capital employed was 7.67 per cent, respectively. And the jury unanimously chose Chunduru as the winner in the BFSI category of the BT-PwC India's Best CEOs ranking.

Chunduru's tenure with Indian Bank was a challenging one. She came from SBI which had a different culture and exposure in terms of size and scale. But her early experience with SBI, from a rural branch in Vizag to running operations in the US, came in handy. "I felt much more capable of handling the situation. It helps a lot if you treat

Key Highlights

❶ In a three-year period (2018-21), the bank's total income increased by 32.28 per cent YoY to ₹45,185 crore

❷ The Indian Bank-Allahabad Bank merger was a big victory for Padmaja Chunduru

❸ The amalgamated bank had a loan book of ₹3.51 lakh crore and deposits of ₹4.56 lakh crore as of March 31, 2019

❹ In the shortest possible time, the merger integration was completed

BFSI

Padmaja Chunduru

MD & CEO, Indian Bank*

Net interest income	FY21	15,665.94
	Q3 FY22	4,395.13
Profit before tax	FY21	2,905.58
	Q3 FY22	794.91
Profit after tax	FY21	3,004.68
	Q3 FY22	689.73
	RoE (%)	11.61
	Market Cap	19,758.92

● Standalone results; all figures in ₹ crore except RoE

● M-cap as of February 7

● Data Source: BSE, ACE Equity

*Chunduru has moved on from the bank after the period of the BT-PwC study



TAKING THE LEAD Padmaja Chunduru's leadership skills as MD & CEO were on full display at Indian Bank between 2018-21

your employees and customers fairly," believes Chunduru. When she arrived at Indian Bank in Chennai, the first thing she attempted to set right was the long-term vision. She focussed on a well-defined plan for expanding across India. She also established a management information system (MIS) to monitor the business on a daily basis.

The merger announcement was a big victory for her. The amalgamated bank had a loan book of ₹3.51 lakh crore and deposits of ₹4.56 lakh crore as of March 31, 2019. Within a week of the merger announcement, she landed at Allahabad Bank's head office in Kolkata to meet the senior management team. At the entrance, there was a demonstration by the unions. But she was unfazed. "I invited the senior team members to come to Chennai to work out the template for the merger," she says. The biggest challenges for her were two different and distinct cultures and also different geographical footprints. "Docile South Indians and a little vocal North Indians," Chunduru grins.

She found that Allahabad Bank was playing very safe in the corporate loan sector. The loan book was mostly skewed towards PSUs, MSMEs, agriculture etc. Chunduru's past experience in setting up SBI's corporate branch for large conglomerates at Mumbai came in handy. "I personally rang up the top corporate and big depositors of Allahabad Bank," she says. Insiders talk about the story of two 150-year-old clocks at Allahabad Bank. She carefully brought one of the clocks to Chennai to put it in the

bank's boardroom. These unsaid things and optics like respecting their heritage created bonhomie amongst the two teams that came together after the merger. In the shortest possible time, the merger integration was completed. The core banking system (CBS) integration between the two banks was completed successfully in February last year. The bank also rationalised the branches, zonal offices, and currency chests. Chunduru also tried her best to encourage women to take up higher roles. "You don't find women at decision-making levels," she says. The bank has a new MD & CEO—Shanti Lal Jain—who is now building it from where Chunduru left.

Jitendra Upadhyaya, Senior Research Analyst at Bonanza Portfolio, says that increasing competition from new-age fintech players will be this mid-sized bank's biggest challenge. "A few years ago, large PSBs were not able to service or provide loans to small borrowers due to [that] operationally (cost-wise) not making sense. However, now large banks can also lend to small borrowers through tools such as co-lending agreements." That translates into double competition for Indian Bank. Bhushan Mahajan, MD at Arthbodh Shares and Investments, says its major challenge is to create a niche bank, competing with large PSU and private banks, with credit growth matching deposit growth when corporate offtake is muted. **BT**

@anandadhikari

RUNNING A TIGHT SHIP

H.M. Bangur has kept a close watch on costs to make Shree Cement—which was on the verge of bankruptcy 25 years ago—one of the largest players in the sector

By **Krishna Gopalan**

► **H.M. BANGUR** IS a trifle embarrassed when you tell him very few in the cement industry can match his cost structure. “Yes, I think we do a good job. To hear that is flattering but also truthful,” says the MD of Shree Cement.

84 | What is not commonly known is that the company was on the verge of bankruptcy 25 years ago. Shree Cement today has an installed capacity of 46.4 million tonnes, with a road map to get to 80 million tonnes in the next 4-5 years. Reflecting on the tough times, Bangur—a chemical engineering graduate from IIT Bombay—says there was no understanding of cost control at that point. “We thought setting up a plant was sufficient and nothing else needed to be done. It was that crisis that became an opportunity and made us a hero, else we were a zero.”

The management, during that difficult period, decided to take a hard look at the cost structure. What transpired was not just a huge move strategically but set a tem-

plate for many others in the industry to follow. There were two key areas—coal and electricity—that were the monopoly of the government. Bangur says it was important to break this structure. First off was coal. “We decided to import coal from Indonesia. The quality was better and consistent plus at a reduced cost,” he says. That’s not all. The bigger story lay in pet coke and the decision to replace a large part of coal with that. India was not a market for pet coke and Bangur decided to send four workers to Turkey to learn the process. “They were not even engineers... but I knew they could pull it off,” he says. Not only did they manage to do it, it also opened Bangur’s eyes to his firm belief now that hard work always wins over talent. Between 2000 and 2010, Shree Cement, on an average, saved 50-60 per cent on energy costs thanks to going with pet coke.

Then, there was the electricity bit. State electricity boards sold power at ₹5 per unit and Shree Cement thought having a captive power plant could be the answer. “We disconnected our power connection in Rajasthan. Soon, our cost was at ₹2 and that saving went straight to the bottom line,” points out Bangur. The company’s approach has found favour among those who track it. According to Rashesh Shah, AVP, ICICI Securities, other factors such as close proximity to high grade limestone have ensured that Shree Cement is one of the lowest in terms of costs. “80-85 per cent of the consumption of power is from its captive plants including usage of waste heat recovery power and renewable plants. The company has total power generation capacity of 752 MW including 211 MW of waste heat recovery. It gives them flexibility to switch to a grid to shut down a plant based on tariff and the ability to operate with multiple fuels results in a dynamic scenario,” he says. Bangur adds that 50 per cent of his power is “free of cost” due to the various initiatives taken. Another area it took

Cement

H.M. Bangur

Managing Director, Shree Cement

Revenue from operations	FY21	12,588.39
	Q3 FY22	4,464.35
Profit before tax	FY21	3,025.72
	Q3 FY22	628.42
Profit after tax	FY21	2,311.93
	Q3 FY22	491.99
	RoE (%)	16.40
	Market Cap	89,726.15

● Standalone results; all figures in ₹ crore except RoE

● M-cap as of February 7

● Data Source: BSE, ACE Equity



Ganesh Kumar
Co-founder and Architect, Workline

If anything is worth doing, **DO IT WITH ALL YOUR HEART.**

enhance existing features without spending too much time on development. This distinctive approach helps us build various features with ease,” explains Ganesh.

The Workline team, he adds, has automated *“almost the entire HR department process through forms and workflows.”* Their application can be implemented in 30-45 days for the entire HR process, including budgeting, recruitment, onboarding, employee life cycle, compensation, appraisal, e-learning and off-boarding.

At present, Workline is building Intelligence features such as early warning systems to check attrition using AI, and to integrate with third-party products (background verification, bank account verification, payment automation, e-KYC process, résumé parsing, and so on) to achieve further automation.

“One of our goals this year is to automate the entire recruitment process, using AI technologies. This will also help reduce human bias,” he avers.

Explaining why enterprise customers and small businesses love Workline HRMS, he says their product feature fitment is *“now 85-90% for any size of organization.”* This, he says, helps them implement their application in a short period of time, even in 30 days, including end-to-end HR process and data migration.

“Our unique framework allows us to quickly complete the remaining 10-15%, and implement the solution with 100% automation and digitization,” he says.

Ganesh strongly believes that the key to Workline's success has been *“listening to customers, and team work.”* Both help them tackle challenges such as understanding the customer's needs and converting the requirement into product features. Looking forward, Ganesh believes the HR industry in India must *“build an ecosystem and standardize the HR process.”* HR practitioners must collaborate to share data such as employment history, exit details, skills and education, between companies, and generate a score for the employee. *“This score will help the HR department make decisions,”* he says. Though he has immersed himself in technology and now, automation of certain human processes, there is one principle Ganesh lives by – *There is no substitute for hard work.*

That quote epitomizes Ganesh Kumar, Co-founder and Architect of Workline, a Mumbai- and Chennai-based company that offers a SaaS HRMS and work tech solutions. Humble and soft-spoken, Ganesh, who hails from Sivakasi in Tamil Nadu, is the main architect of the Workline HRMS. Passionate about technology and HR, he is regarded as someone with excellent clarity of thought and laser focus to accomplish what he sets out to do.

At the same time, colleagues consider him to be grounded, with a balanced approach and the ability to accept things as they are, with a touch of humour.

“In meetings with a lot of negative feedback, Ganesh will sift through the negativity focusing on key takeaways. He always tries to arrive at the best outcome from even a not-so-great event,” says Workline founder, and Chief Puzzler, Saikiran Murali. Ganesh is an avid reader, with a keen interest in finance and politics. In an IT career spanning 22 years, across the Dotcom, ASP, SaaS and now, AI eras, he witnessed the birth of the HRMS industry. From Walmart to Flipkart to Deloitte and clients in Russia, South Africa and South East Asia, he's had a fascinating journey building solutions from India and delivering them to clients in various geographies. Beginning his career as a software developer, Ganesh's two decades of experience in multiple technologies, and in HR and ERP has fuelled the progressive path of Workline. Ganesh is one of the core team members who built the HRMS product at Workline. Today, the product is being used by more than a million users.

“I have built the product three times so far in my career, with different technologies. The unique advantage of the Workline application is a framework that allows us to customize new features easily, train new developers and



PHOTO BY SUBIR HALDER

AN EYE ON COSTS H.M. Bangur,
MD, Shree Cement

Key Highlights

- ❶ Under H.M. Bangur, Shree Cement came back from the brink of bankruptcy in the mid-1990s to become one of the largest players in cement
- ❷ Huge focus on cost control starting with importing coal from Indonesia and going with captive power
- ❸ Made a mark in north India initially before moving to a pan-India presence
- ❹ Barring one buyout in 2014, the growth story of Shree Cement has been completely organic
- ❺ It has a capex outlay of ₹4,500 crore over the next two years

the lead was to have split grinding units across many locations, with the north, its biggest market, having five. Shah says having them in strategic locations gives the advantage of proximity to user markets and efficiency when it comes to logistics costs. Above all, overall transport costs are down by 20 per cent.

This kind of attention to costs means a buyout must pass through many filters. If its rivals have been aggressively acquiring cement plants, Shree Cement is an exception. In mid-2014, it picked up Jaypee Group's 1.5-million tonne grinding unit in Panipat for ₹360 crore. That remains its only buyout. "There is no doubt that one saves time through a buyout but the asset has to be in line with our cost structure," insists Bangur, the winner in the Cement category of the BT-PwC India's Best CEOs ranking.

Expanding operations takes a good part of Bangur's daily schedule. That means a good geographical presence outside the north. The capex outlay is ₹4,500 crore over two years and the growth plan finds favour with Shah.

"From FY07, Shree Cement has always reported double-digit return on equity indicating efficiency on both capital allocation and cost of operations. We believe the same is going to be maintained while achieving the aim of doubling the capacity in every seven years," he says. To him, the surplus liquidity of over ₹8,000 crore now means the company is in a strong position to fund its new expansion.

For years, Bangur has had two things to keep him busy outside work. One is playing volleyball at his Kolkata home with a large group of friends, a tradition that remains. The other is to take the competitive Common Admission Test for various management institutes. His interest dipped since the time it moved online. "The paper and pencil format is easier since I am not very technologically savvy," he says. Given that he runs a massive cement operation based on high levels of technology, that is a little ironic. But as long he keeps running a tight ship, it does not matter. **BT**

@krishnagopalan

With Blockchain based gaming platform **OneTo11**, Ravindra Kumar is disrupting online gaming industry

Gaming is not all about fun and competition. Research has shown that playing games help improve cognitive abilities, such as memory, reasoning, and decision making.

The gaming industry is currently controlled by game publishers and gamers have little or no control over the games despite paying huge sums of money for devices, games, and in-game purchases. Gamers should be able to play a more active role in the decision-making and should be the ones making the most amount of money from the gaming industry. Play-To-Earn gaming can change the dynamic and using blockchain technology can democratise the entire gaming industry. So, gamers should be making themselves more aware of the concept of blockchain based Play-To-Earn gaming.

With a positive belief to change the gaming industry, Ravindra Kumar is determined to make OneTo11 the next unicorn of this gaming industry.

Ravindra Kumar is the CEO and Co-founder of OneTo11 - a 38-year-old serial techpreneur who founded multiple startups and scaled over the last 13 years.

An engineering and MBA graduate Ravindra has managed products in Adtech, Fintech, and Gaming domains. He has founded projects like Witly, OneAd and OneTo11. OneAD was an advertising and marketing platform that reached the #1 rank on Google play. Witly is an AI-driven advertising platform for real estate that has facilitated millions of dollars of sale for various Real Estate agents and agencies. And Oneto11, the latest project launched by Ravindra and his team has acquired 2.2 million registered users within 15 months

since launch in October 2020.

While talking with Ravindra about the future goals, we understand that currently OneTo11 is the only project that he has the complete focus on and he sees it as a potential unicorn. OneTo11 will be expanding to international markets in the Middle East, Europe, and South America during 2022 in addition to launching more games on the platform. OneTo11 is trying to capitalise on the potential global market by delivering maximum value for gamers and helping build a web 3.0 solution for the gaming industry.

"Gaming can be more than just a source of entertainment, it can definitely grow into a source of earning for gamers and later into an autonomous economy."

Mr. Ravindra has talked more about OneTo11, its uniqueness, and how its user feels about it. OneTo11 is unique in the sense that on the platform gamers can compete and earn money consistently. OneTo11 ecosystem is based on the Play-To-Earn business model where gamers play to earn money via gameplay, skills, and competitions. Instead of just being a single game like competitors, OneTo11 is a collection of games connected by a unified wallet and NFT marketplace. So, every gamer is able to find a game that is relevant to their interest on OneTo11.

Secondly, OneTo11 is also free to play, which means on other blockchain games people have to pay a huge amount of money to join and start playing. However, OneTo11 allows people to join the ecosystem for free



Ravindra Kumar

CEO and Co-founder, OneTo11

and still have the opportunity to earn money by building up their gaming skills via playing.

Further, he talked about the challenges in the gaming industry and how he strategized to overcome them. Instead of spending heavily on a marketing campaign, Ravindra and his team decided to reward the users of the platform through high value contests, affiliate programs and referral incentives. This initiative turned OneTo11 users into brand ambassadors who brought their friends and family members to the platform to play together as a community. Thus the tagline - 'Play together, Earn Together'. The sense of playing as a community with friends and the reward program helped OneTo11 to reach 2.2 million registered users in just 15 months.

"Never build a product that you would not recommend to your family and friends."

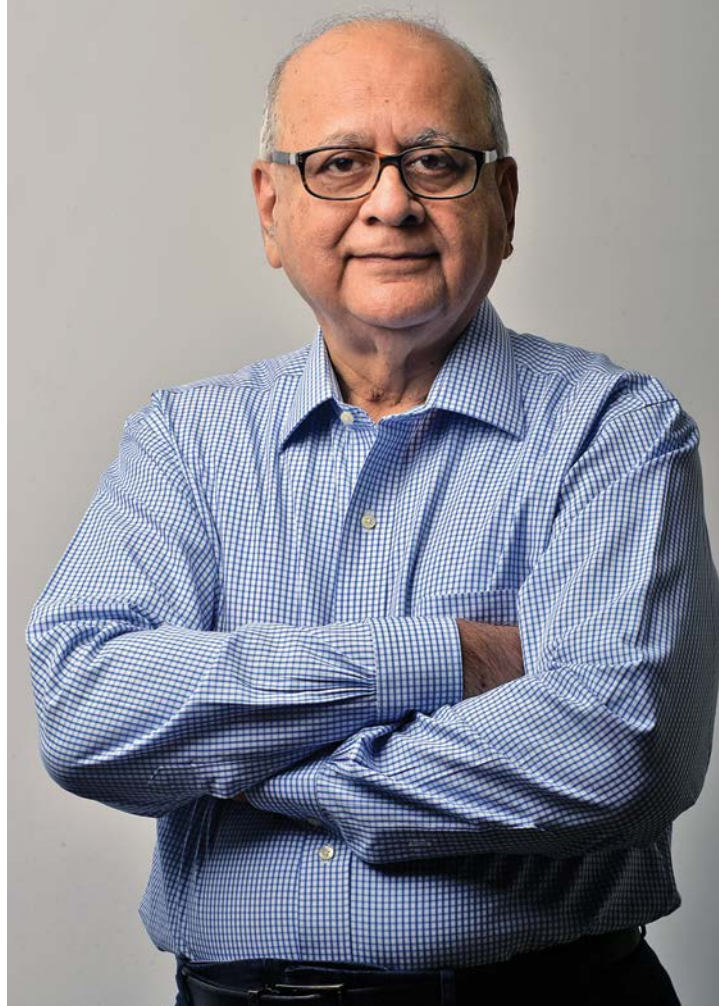
Ravindra believes in creating and scaling the projects that actually deliver value to people.

"Value-oriented projects are self-scaling and don't need the crutches of marketing to sustain themselves."

Organic Growth

Yogesh M. Kothari, the CMD of Alkyl Amines Chemicals, has achieved consistent growth for his company over the past 10 years

By **Rahul Oberoi**



ON TARGET Yogesh M. Kothari, CMD, Alkyl Amines Chemicals

88 |

► **YOGESH M. KOTHARI**, the Chairman and Managing Director of Alkyl Amines Chemicals, was a keen cricket player in his younger days. Today he is busy hitting boundaries, albeit in business. He has achieved consistent growth for his company over the past 10 years, featuring him in the BT-PwC India's Best CEOs ranking. The net profit of the company grew at a CAGR of nearly 40 per cent to ₹295.34 crore in FY21 against ₹10.37 crore in FY11. On the other hand, gross sales increased at a CAGR of 18.28 per cent to ₹1,242.44 crore during the same period. At present, the company generates 85-90 per cent revenue from the domestic market.

So, what has worked for the company? Kothari says that continuous capacity expansion and a better product mix helped Alkyl Amines Chemicals improve yield and profitability. Over the years, return on equity jumped to 44.60 per cent for the year ended March 31, 2021, from 13.10 per cent in 2010-11. On the other hand, the debt-to-equity ratio, which evaluates a company's financial leverage, moved down from 1.43 times to 0.06 times. A ratio of less than 1 implies that the assets are financed mainly through equity.

However, the rise in raw material prices in the latest quarter ended December 31, 2021, has hit the bottom line of the company. The net profit of the company declined 45.69 per cent YoY to ₹45.88 crore in Q3FY22

Key Highlights

- ❶ Alkyl Amines is a global supplier of amines and amine-based chemicals
- ❷ Net profit grew at a CAGR of nearly 40 per cent in the past 10 years
- ❸ Gross sales soared to ₹1,242 crore in FY21 from ₹231.84 crore in FY11
- ❹ Rising input costs dragged down profit after tax by 45.69 per cent in Q3FY22
- ❺ The stock rallied 19,844 per cent to ₹3,061.45 on February 15, 2022, from ₹15.35 on February 15, 2011
- ❻ Company garners 85-90% revenue from the domestic market

PHOTO BY MILIND SHELTE

on the back of the rise in input costs. It reported a profit of ₹84.49 crore in the same period a year ago. The cost of raw material jumped by over 70 per cent YoY to ₹218.54 crore during the quarter. However, revenue from operations witnessed an increase of 16.29 per cent YoY to ₹376.66 crore.

“Our input costs went up by 50 per cent in the last quarter and we were able to hike prices by only 20 per cent. That is why there was some setback on our profitability even though our turnover increased. We are still not able to recover our costs. Things are now improving as raw material prices in the international markets are returning to some normalcy,” says Kothari, adding that acetic acid, methanol, coal and ammonia were some of the raw materials that witnessed a substantial rise in prices.

Alkyl Amines Chemicals is in the business of manufacturing and marketing various aliphatic amines, amine derivatives and other speciality chemicals for the past several decades. The company was incorporated by Kothari in 1979 with the idea of making India self-sufficient in aliphatic amines. At present, the company is a global supplier of amines and amine-based chemicals to pharmaceutical-, agrochemical-, rubber chemical- and water treatment industries, among others.

Amines are not easy products to transport because they are quite hazardous in nature. “Imports are also not easy. In spite of that, some material comes from China, the USA as well as Europe. People in India preferred to use locally available amines at a reasonable cost,” says Kothari.

Kothari says that the company is continuously working on improving technology and increasing efficiency which can aid Alkyl Amines to reduce costs and thereby further improve yields. Pharmaceuticals and agrochemicals will be the need of the hour. Therefore, the requirement of our type of products will be there in the next decade, says Kothari. “Indians now enjoy higher disposable incomes than earlier. People are also using high-value products that are based on our amines like cosmetics. We are also trying to make sure that we have new products for the future. Every year we introduce new products,” he says.

The share price of the company has also moved in tandem with the robust financials. The stock rallied 19,844 per cent to ₹3,061.45 on February 15, 2022 from ₹15.35 on February 15, 2011. On the other hand, the benchmark BSE Sensex gained 215 per cent to the 58,142-mark in the past 10 years. Competitors Balaji Amines jumped 7,154 per cent to ₹2,916 from ₹40.20 while Rashtriya Chemicals and Fertilizers declined 13 per cent to ₹75.60 during the same period.

Commenting on Alkyl Amines, market watcher Rajesh Pherwani, Founder and Portfolio Manager, Valcreate

Investment Managers, says: “A majority of chemicals derivatives companies have witnessed an explosion in performance in the last five years due to China pollution shutdowns and cost increases there. Alkyl Amines has also witnessed a significant jump in its top line and operating margins on account of strong traction in its key products of amines, their derivatives and speciality chemicals.”

Chemicals

Yogesh M. Kothari

CMD, Alkyl Amines Chemicals

Revenue from operations	FY21	1,242.44
	Q3 FY22	376.66
Profit before tax	FY21	400.69
	Q3 FY22	62.26
Profit after tax	FY21	295.34
	Q3 FY22	45.88
	RoE (%)	44.60
	Market Cap	15,867.19

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of February 7
- Data Source: BSE, ACE Equity

“Due to this growth, most companies’ stocks in this sector have seen a big re-rating of their P/E multiples. Valuations have moved upwards of 30 times on forward earnings for the pack. From here, companies such as Alkyl Amines would see a mixed combination of growth opportunities due to China issues, growth in user industries versus increasing costs including higher raw material prices. The robustness of its business model will be challenged by its ability to consistently pass on costs to the user industries such as pharma and agrochemicals,” says Pherwani.

Kranthi Bathini, Equity Strategist, WealthMills Securities, says, “Given the inflationary environment for inputs and rising raw material costs, how the company sustains [its] margins is the key for the future. From a stock investment perspective, the valuations look a little bit stretched at present. The China factors and strong growth of the domestic pharmaceutical industry can make Alkyl Amines a dominant player in speciality chemicals.” **BT**

@iamrahuloberoi



THE RIGHT MOVES Shantanu Khosla, MD, CGCEL

90 | Consumer Focussed

Shantanu Khosla-led CGCEL has built products based on consumers' needs

By **Krishna Gopalan**

► **SHANTANU KHOSLA** is a man with a curious mind. Before the pandemic, he would visit the market at least once a month. This was with the objective of getting specific consumer insights and ensuring Crompton Greaves Consumer Electricals Limited (CGCEL), where he is the MD, brought to the table the most superior product portfolio.

Carved out from Crompton Greaves in 2015, CGCEL, he says, is only six years old. "It was an engineering company and we had to put the consumer in the centre. The focus has been on superior performance apart from aesthetics and design," he explains. Growth has been impressive and what stands out is CGCEL's ability to hold on well to existing product categories and make the right moves in the new ones. It is present in categories such as fans, lighting, electrical appliances and pumps. "We have got it right on fans and our market share is at the highest ever. There is also a success story in geysers, where we identified the need for *perfect hot water*," says Khosla, the winner of the Consumer Durables category in the BT-PwC India's Best

Key Highlights

- ❶ CGCEL was carved out of Crompton Greaves in 2015
- ❷ A big part of its strategy, under MD Shantanu Khosla, was to shift its focus on B2C from B2B
- ❸ It is the leader in the fans segment with a 27 per cent share
- ❹ CGCEL has been at the forefront of innovation with offerings such as the anti-dust fan

Consumer Durables

Shantanu Khosla

MD, Crompton Greaves Consumer Electricals

Revenue from operations	FY21	4,749.95
	Q3 FY22	1,410.19
Profit before tax	FY21	707.72
	Q3 FY22	198.55
Profit after tax	FY21	604.74
	Q3 FY22	148.12
	RoE (%)	39.23
	Market Cap	25,730.09

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of February 7
- Data Source: BSE, ACE Equity

CEOs rankings. Harshit J. Kapadia, VP, Elara Securities, explains what has worked well over the last 3-5 years. "It comes down to new and innovative products... and re-designing the existing product portfolio... They've also done well in expanding the go-to-market reach and capitalising on the shift from the unorganised market."

For Khosla, a P&G veteran who joined CGCEL in 2015, the journey has just begun. "I think we are a more externally focussed company now. The improvement over the last six years is visible but this process will never stop," he says. The outlook is optimistic: Kapadia feels the consumer electricals industry is likely to grow in double digits. "It will be driven by rising disposable incomes, higher levels of internet penetration and improved availability of power," he says. And CGCEL seems set to ride that wave. **BT**

@krishnagopalan

Gender Programming – beyond tokenism

Sheeba Thomas



Sheeba Thomas
CEO, Vedatma Consulting

It's been an enriching and fascinating 27 years filled with challenges, learning, and enormous success, recalls Sheeba, from being a young novice lawyer finding her footing in top multinationals in the Service Industry to an enabling, strategic, and transformational leader in the Education sector.

A Symbiosis Pune, Law and Business Management alumna, Sheeba spent her formative years in the service industry working for Sterling Holiday Resorts, Quality Inn Hotels and Sodexo Pass. What paved her way into the education sector was a brief entrepreneurial challenge, with Giraffe Learning, of starting a greenfield unit from the ground up. Subsequently, as Vice President with Evolv Services and NIIT she has earmarked a phenomenal 16 years in the industry. In the recent years as CEO of CKC, leading the transformational efforts, and now as CEO of Vedatma Consulting, she is best known as a leader for her zeal for

Operations & People Management, while 'simultaneously' driving the business's P&L demands.

Despite her success in the Corporate Sector, this CEO shares, that statistically while women heading firms reached an all-time high of 41 in 2021 at the Fortune 500, up from 6.6 percent in 2019 to 8.2 percent in 2021, their representation is still under 10%. As a progressive advocate for gender quotas in the legislative realm, she proclaims not being an outspoken supporter of 'Gender Programming' in the 'business' realm – a concept she feels that has yielded only minor gains in terms of closing the gender gap in the workplace.

She goes on to quote that, in the 1970s, gender parity became a Scandinavian novelty; and much before corporations, political parties had included voluntary quota targets to increase female recruitment. While the gender quota narrative shifted from the 'developed west' to the 'developing others', it's worth noting that the primary focus was and continues to be on increasing the number of women at the top, rather than in the middle. The driving motivator – Inspire to Aspire. Is this however not dooming if there are actually no women to promote?

The drop-off point for women mostly is in their mid-career years. To assist aspiring women wade through the difficulties they confront during this stage, companies, in place of penalising career interruptions must encourage equal compensation structures and provide suitable

incentives for them to be able to access support.

Mentorship programs are an effective cure towards the development of a strengthened female pipeline at all levels and across disciplines beyond the typical feminine branded positions of HR and Communications. More women should be able to take on roles that involve metal and money, and thereon rise to positions of power when they are 'ready'.

"Quota = Reservation, and therefore ZERO merit, is that not the unequivocal perception?" "I would like to sit at the table because I have earned it, not because I am the result of a quota. Quotas, in my opinion, may cause women to either rise to positions of authority before they are ready, or be used to help less talented women gain jobs, both being potentially retrograde trends. We should instead consider raising the bar and make it more difficult for less capable men to get those coveted jobs. Would we, as women, not prefer to take on an 'equal' role collaborating with people of all genders rather than representing charges of tokenism?"

"Women held up half the sky," Mao Zedong famously declared.

I proudly stand on the shoulders of other female leaders who paved the way for me, and I will gladly contribute my own for the next generation

"Women must learn to play the game as men do", those words from Eleanor Roosevelt will continue to echo in my mind, said Sheeba, as her parting remark!

ON SOLID GROUND Sanjiv Mehta,
Chairman & MD, Hindustan Unilever Ltd

Key Highlights

- ❶ HUL promptly addressed supply-chain issues when the Covid-19 pandemic hit
- ❷ Mehta's focus on innovation has kept the company at the top slot even as many new players entered the market
- ❸ Focus on 'winning in many Indias' has helped HUL grow across the country
- ❹ Mehta's interest in research and development has ensured the products go through a series of quality checks
- ❺ The merger with GSK Consumer Healthcare and a seamless transition has kept the numbers upbeat despite the pandemic's impact

PHOTO BY RACHIT GOSWAMI

Beauty Lies in the Details

With years of experience in dealing with tough situations, Sanjiv Mehta is successfully rewriting HUL's growth story in challenging times

By **Arnab Dutta**

► **SANJIV MEHTA**, Chairman and Managing Director of Hindustan Unilever, was in Bhubaneswar a few years ago on a market visit. Soon after, the company's Executive Director of Research and Development, Vibhav R. Sanzgiri, got a call from his boss. Mehta noted that a variant of Lux soap was losing its fragrance sooner than expected in the humid conditions of the east. "Look, this can't be our Lux', I still recall him saying during a market visit at the beginning of 2019. These visits by top executives of FMCG companies are not new, but a top boss picking up products from the stands and figuring [out] minute differences is not very common," Sanzgiri says.

If you are a user of HUL's popular Dove skincare range or the newly launched sensitive toothpaste, you can rest assured that almost all of those have been offered to you only after Mehta was satisfied with their quality. A chartered accountant by

training, Mehta's keen interest in detail—even at the product development levels—is something that has been noticed ever since he took charge in 2013. Priya Nair, an Executive Director at the Mumbai-headquartered FMCG major, who also heads India's largest beauty and personal care portfolio, is a regular witness to this. Mehta—the winner in the FMCG category of the *BT-PwC India's Best CEOs* ranking—not only uses the new products but also gives feedback that proves to be crucial.

According to insiders, while HUL has been the market leader in most of the personal care categories for decades, it is Mehta's push for innovation that helps it hold on to the top spot. He reintroduced the head of R&D into HUL's management committee after years. In the recently concluded December quarter, the company gained its highest market share in many categories in a decade.

What makes Mehta stand taller than most of his competitors in India's ₹5-lakh crore FMCG market is his ability to spot any upcoming macro-level issue early. Take the pandemic for instance. In March 2020, when the nation was put under strict lockdown overnight, HUL promptly adopted a new model for its supply chain. Realising that the conventional method of achieving set sales targets would not work in the new normal, it shifted its focus to ensuring seamless movement of goods and streamlining its supply chain.

The strategy clicked. While most FMCG companies reported a decline, HUL managed to grow both its sales and profit during the April-June 2020 quarter. Calling its performance resilient amid a challenging environment, analysts at Axis Securities said HUL's performance beat expectations on all the key headline numbers.

HUL's success in the period can also be attributed to the smooth transition after it concluded the ₹37,000-crore merger with GSK Consumer Healthcare in early-2020. According to Prabhudas Lilladher's Head of Research Amnish Aggarwal, it was the GSK Consumer business that lifted HUL's fortunes—excluding the health-led GSK business, HUL's sales actually declined by 7 per cent. "Ahead of the synergy meetings with the GSK CH team, I recall him putting the key to success in simple words—If you take care of people, people will take care of your business," says Srinandan Sundaram, Executive Director, foods and refreshment at HUL.

Mehta, who will now be CEO & MD from March 31 as the FMCG major has split the CMD's post, credits his success to experience and faith in God. Since he joined the professional world in 1983, he has had the 'opportunity' of working under the most volatile situations. From his role in the crisis management team at Union Carbide in 1984 after the infamous Bhopal gas tragedy to taking the wheel amid the Arab Spring as the chairman of Uni-

lever North Africa and Middle East, he has faced many uphill tasks. "I believe in God and that gives me internal courage. Apart from the Bhopal tragedy and the Arab Spring, I have been through major issues such as the Gulf War, when there was a massive outcry against foreign multinationals and, in recent times, situations like demonetisation. Thus, any challenge that comes my way, I am never overwhelmed by it," says Mehta.

An avid reader, Mehta gets his hands on everything from autobiographies to books on geopolitics. And

FMCG

Sanjiv Mehta

Chairman & MD, Hindustan Unilever

Revenue from operations	FY21	45,996
	Q3 FY22	13,092
Profit before tax	FY21	10,490
	Q3 FY22	3,024
Profit after tax	FY21	7,954
	Q3 FY22	2,243
	RoE (%)	28.69
	Market Cap	5,30,455.47

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of February 7
- Data Source: BSE, ACE Equity

| 93

that's one of the key aspects that helps boost his stature as a business leader who can gauge the pulse of the economy ahead of others. One of Mehta's greatest legacies at HUL is still attributed to his idea of segregating the giant into 15 clusters—based on the diversity of consumers and their cultures—after he took charge of the local unit. The idea of 'winning in many Indias' not only catapulted HUL's business but proved to be crucial even during demonetisation and the pandemic.

With the consumer economy slowing again, HUL is banking on Mehta's acumen to lead the way. The fifth-largest listed company in India, with a market capitalisation of over ₹5.38 lakh crore, is debt-free, but its top line growth and margins are now facing pressure as 70 per cent of India's population grapples with a steady rise in the cost of living. Mehta, however, is confident that the job creation measures announced by the government will result in a turnaround soon. **BT**

@arndutt

**FORWARD
MOMENTUM**
M.V. Gowtama,
former
Chairman, BEL



Credibility Builds Business

94 |

Having led Bharat Electronics to new heights, M.V. Gowtama believes constant improvement drives growth

By **Rajat Mishra**

► **AT THE HELM OF** India's leading defence electronics manufacturer Bharat Electronics Limited (BEL), M.V. Gowtama took the Covid-19 challenge head on. The record turnover of BEL (₹13,818 crore) in FY21 and a market share of 55 per cent serve as testaments to his zeal. "It was a challenge for us. Like any other company, we also experienced disturbances in the pandemic, but despite the curbs and the fear of the virus, we were able to motivate our employees. The welfare of people was our top priority even as we worked the most we could," says Gowtama, who wins the Industrials category of the BT-PwC India's Best CEOs ranking.

From supplying 30,000 ventilators in record time to the government during the first wave of the pandemic to playing an important role in safeguarding India's borders, BEL has many feathers in its cap. And with the government's consistent thrust on 'Make in India', 'Aatmanirbhar Bharat', and the new Defence Procurement Procedure, BEL has gained a lot more relevance. As of Q1FY22, the company's order book was at ₹54,600 crore. "Going forward, the order book depends on the credibility of the organisation with its customer. The improve-

Key Highlights

- ❶ Bharat Electronics saw a record turnover of ₹13,818 crore in FY21
- ❷ As of Q1FY22, the company's order book was at ₹54,600 crore
- ❸ BEL supplied 30,000 ventilators in record time to the government during the first wave of the pandemic
- ❹ The company has been exploring opportunities for growth in allied defence and non-defence areas

Industrials

M.V. Gowtama

Chairman, Bharat Electronics*

Revenue from operations	FY21	13,818.16
	Q3 FY22	3,656.22
Profit before tax	FY21	2,934.81
	Q3 FY22	788.33
Profit after tax	FY21	2,065.42
	Q3 FY22	583.37
	RoE (%)	19.99
	Market Cap	49,255.73

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of February 7
- Data Source: BSE, ACE Equity

*Gowtama has moved on from the company after the period of the BT-PwC study

ment in the product quality based on feedback makes the difference. During my tenure, the board had approved as many as nine product support service centres all over India." BEL has also been exploring opportunities for growth in allied defence and non-defence areas. The share of non-defence revenues in FY21 was 22 per cent of total revenue. During his stint at BEL until June 30, 2021, Gowtama played an instrumental role in pursuing businesses in the non-defence segment. "Non-defence sector is very important for BEL. For example, we are the largest supplier of electronic voting machines and we have also invested heavily in driving solar products," he adds.

Gowtama, who joined the company as a probationary engineer in 1983 at a Ghaziabad unit, believes staying connected with all in the organisation is very important. "As a chairman or CEO, one must be there to lead at all times, especially in a crisis, and that's what I did," he says. **BT**

@RajatMishra9518



MOHAMED IMRAN
Founder, Skyline Spaces

MOHAMED IMRAN: ENVISIONING PAN INDIA EXPANSION FOR HIS ARTISTIC INTERIOR DESIGN FIRM

SKYLINE SPACES EYES EXPANSION

In just 5 years of the company's establishment, Imran has developed a client list to be proud of, which includes many high profile IT Professionals, Doctors, and working professionals. He has managed to ensure the unbreakable faith of his clients till date, by delivering 'up to the mark' quality designs as promised and sticking to timelines.

"Skyline Spaces is eyeing Pan India expansion with a vision to reach more geographies in the coming years. With an interdisciplinary team, we aspire to craft more spaces that address the emerging future of work, leisure and living," reiterates Imran.

THE UNIQUE PORTFOLIO OF SERVICES

Be it master plans, buildings or interiors, the process at Skyline Spaces focuses on innovation that enriches the Clients' lives and businesses, and hopes to add value to all it touches. The main services offered by Skyline Spaces are:

- **Residential Interior Solutions**

Skyline Spaces shapes master plans for modular kitchens, wardrobes, living rooms, bedrooms and other residential spaces at the cutting edge of superior design thinking. The dedicated team of designers commits to achieving an aesthetically pleasing environment and comfortable interiors for their clients with design innovation and expertise in applying the latest trends, finishes, and technology to exceed clients' expectations.

- **Commercial Interior Solutions**

Skyline Spaces merges its understanding of a brand's culture and expertise in optimising functionality to design work environments that create joy and productivity. It is specialized in commercial interior designing of office spaces, corporates, retail shops, and many more turnkey projects.

While designing retail shops, designers at Skyline Spaces design shop layouts in such a way that it endears customers to stores. It also specializes in creating modern, traditional, and contemporary interior designs for hotels and restaurants. Its highly skilled and experienced Interior Designers make sure that the hotel and restaurant space decor matches the most exquisite and graceful designs.

THE SCINTILLATING FUTURE AHEAD

Imran's Skyline Spaces designs both modern and traditional designs with a unique twist, turning any space into a powerful expression of the client's personality. That is why the company, since its establishment, has been on a growth trajectory.

"Scaling new heights in creativity and carving a niche in interior designing space is the motto we drive by,"

says the brain behind the company.

Imran's firm belief in following an iterative and incremental approach to every design project is taking Skyline Spaces to skyrocketed heights. He strongly believes that entering more geographies will grow his interior design firm multifold.

Backed by highly creative and artistic mind Mohamed Imran, A Bangalore based Interior Design firm is all set to go Pan-India.

The design legend Mohamed Imran, founded Skyline Spaces in 2017 to build the most refined and furnished spaces in one of the beautiful cities, Bangalore. The eclectic and whimsical style that he pours into every creation has made Skyline Spaces stand out in the entire corporate world of interior designing.

SKYLINE SPACES: A LEADING NAME IN INTERIOR DESIGNING

Incepted with the passion and zeal of Mohamed Imran, Skyline Spaces is stealing hearts in the interior design industry with incredible design projects. However, Imran often recalls the risks and roadblocks he had to face while establishing Skyline Spaces.

"Pushing colours and aesthetics into bare walls wasn't easy at all, but the withstanding ideologies that we always keep in mind while designing any space, have helped us pull it through," asserts Imran.

Skyline Spaces gives utmost attention to every detail on each project as it believes that for any owner, their space is the best and highest investment.

Building a New Legacy

S.N. Subrahmanyan is constructing a new L&T that remains true to its core, yet takes on new stripes that make it a more relevant organisation for the times

By **Alokesh Bhattacharyya**

96 |

► **THE SCHOLARLY-LOOKING** Sekharipuram Narayanan Subrahmanyan, or SNS as he is popularly called, doesn't convey the archetypal image of the ruthless, snarling, cigar-chomping CEO of a company with gazillions in revenues. And in truth, he is anything but that. His colleagues reveal that SNS is a down-to-earth, simple man, with an eye for detail and on the well-being of his employees, a deep understanding of technology, and a man who does the hard yards—among the first to reach office (when in town), and among the last to leave. Once, while speaking to young employees at a company forum, he stepped off the dais and proceeded to shake more than 200 pairs of hands, and also briefly spoke with each.

He's also a man who you don't meet if you haven't done your homework. And SNS, 61, himself does his homework all the time as he steers the giant, ₹1,35,979-crore (FY21 consolidated revenues) conglomerate Larsen & Toubro (L&T) through the labyrinthine mazes of its business-

es—EPC (engineering, procurement and construction) and projects, high-tech manufacturing, and services—and keeps growth and morale high even in the toughest of times. Indeed, the complexity of an organisation like L&T itself can be overwhelming, and Subrahmanyan's track record made it relatively easy for the jury to declare him the winner in the Infrastructure & Engineering category of the BT-PwC India's Best CEOs ranking. Analysts, too, are gung-ho over the man. "L&T is a professionally run company, and Subrahmanyan has been there for a very long time (he joined in 1984). He has grown with the company and understands its nitty-gritties," says A.K. Prabhakar, Head of Research, IDBI Capital.

Indeed he does. That the company is going strong despite the Covid-19 impact is testimony to Subrahmanyan's leadership skills. Remember that unlike many other companies, L&T needs people on site to execute its projects (it employs close to 300,000 labourers). This past couple of years have seen some significant deals—a \$1-billion contract from Saudi Aramco for an oil field development project, among several other large hydrocarbon orders; the contract to build the first three buildings of the upcoming Central Secretariat in Delhi; several metro orders; two large solar power orders in Saudi Arabia that total 1.7 GW capacity solar power plants, etc. "Today, our backlog of orders is around ₹3.5 lakh crore, which is one of the highest in our history," says Subrahmanyan, the CEO & MD of L&T. "And there's a huge amount of positivity and confidence in the organisation."

Behind the positive, affable pair of eyes, though, lies a business brain as sharp as you can find with a halogen torch. Ever since walking into the corner room in July 2017, Subrahmanyan has overseen several changes. First, the rise of services within the group. The share

Infra & Engineering

S.N. Subrahmanyan

CEO & MD, Larsen & Toubro

Revenue from operations	FY21	73,315.59
	Q3 FY22	21,551.54
Profit before tax	FY21	4,437.77
	Q3 FY22	2,062.19
Profit after tax	FY21	11,336.97
	Q3 FY22	1,670.84
	RoE (%)	20.17
	Market Cap	2,64,948.46

● Standalone results; all figures in ₹ crore except RoE

● M-cap as of February 7

● Source: BSE, ACE Equity



PHOTO BY RACHIT GOSWAMI

CHANGE MAKER S.N. Subrahmanyan,
CEO & MD, Larsen & Toubro

Key Highlights

- ❶ Subrahmanyan is overseeing the exit of L&T from some non-core businesses, and getting on to newer lines of business. The order book, at ₹3.5 lakh-plus crore, is robust
- ❷ Solar EPC is becoming big, with L&T now bagging GW-scale orders compared to MW ones earlier
- ❸ It is exiting from electricals, hydel power, Hyderabad Metro, BOT and BOOT infrastructure projects
- ❹ Services' share in consolidated revenue was 28% in FY21, and is rising, especially after the Mindtree buy
- ❺ Standalone net profit margins have risen from 7.22% in FY18 when Subrahmanyan took charge, to 15.46% in FY21

| 97

of services (IT plus financial) of consolidated revenue is now at 28 per cent, margins are beefier than the core business, and it's growing fast. The 2019 acquisition of mid-sized IT firm Mindtree has significantly boosted its IT presence, where it also has two other companies—L&T Infotech and L&T Technology Services.

Second, he is shaking off some businesses that are not working for the organisation any more. It is moving out of BOT (build-operate-transfer) and BOOT (build-own-operate-transfer) projects. At one time, its infrastructure projects subsidiary—L&T IDPL—had 21 road projects, an airport, a water line, etc.—today it has 11 roads and one transmission line project, and it is moving out of these, too. The company is actively looking to exit Hyderabad Metro—ridership was affected due to Covid-19, sending the company into losses. "IDPL and Hyderabad Metro carry forward almost ₹2,000 crore of losses. When that moves away, the overall PAT goes up substantially," points out Subrahmanyan. Further, it has sold its electricals business to Schneider Electric, and also a 99-MW hydropower plant to ReNew Power.

On the other hand, solar EPC, which was tiny earlier (it would do 25-MW, 50-MW projects), is now bagging GW-scale orders, and infrastructure and hydrocarbon businesses continue to grow. "They have sold low-margin or non-profitable businesses where they don't have the expertise. Even in their step-down subsidiaries, they are making a lot of changes. They want to be in core businesses, and they are selling off non-core businesses. That is a good thing to happen," says Prabhakar of IDBI Capital.

Continuing the services play, L&T is getting into data centres in a big way, in partnership with Microsoft India, to store data for government and public sector organisations. But there's a twist. Here L&T won't just build data centres for other enterprises, which is its primary business model for other parts of the organisation. "We will run the data centres, and also run SaaS and PaaS applications, including data centre connectivity and so on," says Subrahmanyan.

Tech that. **BT**

@alokeshb

GAME CHANGER

Sanjay Jalona has helped LTI grow by creating a niche, through acquisitions, and by exiting from some sectors

By Nidhi Singal

98 |

► **WHEN SANJAY JALONA**, an Infosys veteran, took over as CEO & MD of LTI in 2015 (known as Larsen and Toubro Infotech back then), he had a simple mandate—take charge of the business and create a unique place for the brand. Over the years, with the right strategy and focus, he has managed to achieve just that.

Jalona decided to focus on fewer sectors and let go of sectors the company did not have a competitive advantage in. “We can never compete with an Accenture or a TCS in banking. They will be many times... [bigger than] my company... But we can compete in some areas, verticals and niches. We have to be able to compete with everyone,” explains Jalona. This inordinate focus has helped LTI build capabilities and turn competitive.

The company has incubated some new verticals and utilities in India, the US and Europe. “This has helped us reach where we are. We have built deep digital capabilities and an enviable culture of client-centric innovation,” says Jalona, the winner in the IT & ITes category of the BT-PwC India’s Best CEOs ranking.

In addition to its rapid organic growth, LTI has developed an acquisitions-led growth strategy to expand the breadth and depth of its services. It has completed seven acquisitions under Jalona’s leadership: AugmentIQ Data Sciences, an innovative start-up offering IP-based, big data and analytics solutions; Luxembourg-based



BUY TO GROW Sanjay Jalona, CEO & MD, L&T Infotech

Key Highlights

- ❶ Sanjay Jalona decided to focus on fewer sectors and let go of sectors LTI did not have a competitive advantage in
- ❷ This focus has helped the company build capabilities and turn competitive
- ❸ LTI has developed an acquisitions-led growth strategy and has completed seven acquisitions
- ❹ Data, cloud and digital account for 53 per cent of the business today
- ❺ LTI is focussed on building talent at scale and has increased total headcount by 31 per cent year-on-year

Syncordis S.A., a leading core banking implementation services provider; Ruletronics, a boutique Pega consulting firm; N+P, a Temenos consulting firm based in Germany; Lymbyc, an AI and advanced analytics focussed firm; Powerup, a fast-growing cloud consulting firm, and Cue-logic, a digital engineering and product development firm.

These acquisitions have helped LTI rake in new business. “We created new classes of go-to-market strategies for LTI. Data, cloud and digital did not exist in 2016. They account for 53 per cent of our business today,” he says. Jalona believes in innovating. He also talks about the Red Queen Effect from *Alice in Wonderland*—where you keep running but stay at the same place. “So, if you don’t innovate, you will fail.” The acquisitions also power up the cloud. The company is moving very quickly towards the billion-dollar aspiration on the cloud.

Investing in building a talent supply chain has worked in favour of LTI. A recent report by Prabhudas Lilladher stated that in a strong demand environment constrained by availability of digitally skilled talent, LTI is focussed on building talent at scale. It has hired significantly in the past four quarters, resulting in its total headcount increasing 31 per cent year-on-year. LTI plans to continue strong hiring. The fresher intake target has been increased twice, first from 3,000 to 4,500 and then to 5,500 in FY22. It plans to hire 4,000 people with 1-2 years’ experience and upskill them to shore up supply. Plus, LTI is also focussing on hiring non-engineering talent and skilling them. It is looking at tying up with colleges, offering a hybrid, flexible work model in terms of work from home or work from office, having satellite offices in the US, etc.

Technology is an ever-changing arena. There are new technologies every few months. One has to have the curiosity and the ability to learn. Jalona believes in the Zen Buddhist word—*Shoshin*—which means a beginner’s mind, and *Ubuntu*, which stands for humanity. LTI has been focussing on its people and on their all-round development. It hosts several continuous programmes to ensure that the talent is always ready and learning. The Shoshin School enables bespoke learning paths, drawing from global learning repositories. And LTI Belong is an organisation-wide DEI (diversity, equity and inclusion) programme. Regular training interventions take place to keep pace with the changing times and also develop an appreciation for evolving paradigms—technical as well as behavioural.

Jalona has given a purpose to the organisation. The first is to have the confidence to compete with the best. Secondly, ‘small enough to care but large enough to ex-

ecute’ has been the theme that has worked well for LTI. He now wants to focus on the next journey—taking leadership positions in the chosen verticals that LTI operates in. “From a challenger, we [want to] become leaders—we’ll choose battles to fight because we are still much smaller compared to larger players like Accenture or TCS,” he says. This is how LTI differentiates itself.

IT & ITES

Sanjay Jalona

CEO & MD, L&T Infotech (LTI)

Revenue from operations	FY21	11,562.60
	Q3 FY22	3,842.80
Profit before tax	FY21	2,391.00
	Q3 FY22	786.60
Profit after tax	FY21	1,787.40
	Q3 FY22	589.20
	RoE (%)	29.83
	Market Cap	1,07,447.60

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of February 7
- Data Source: BSE, ACE Equity

But this journey wasn’t easy. While differentiating itself in a crowded marketplace, Jalona had faced scepticism during its IPO in 2016. But under his leadership, LTI has continued to innovate in a fast-changing industry. The efforts have worked well. From 49 large global clients in 2016, LTI now has 72. And from just three clients valued over \$50 million, it now has eight. The number of clients valued at more than \$1 million, too, has more than doubled from 85 to 187.

“LTI will focus on harvesting existing high-growth engines such as 53... [large] high-growth accounts, high potential sub-verticals of biotech, streaming, payments, insuretech, etc., and new growth regions of the UK, Australia, Switzerland, and the Middle-East. LTI sees strong cross-selling opportunities in these new growth areas led by cloud (ALTIUS cloud platform), data (FOSFOR data-to-decision platform), and digital capabilities,” says Aniket Pande, Research Analyst at Prabhudas Lilladher. **BT**

@nidhisingal

INORGANIC GROWTH T.V. Narendran,
MD & CEO, Tata Steel

Key Highlights

- ❶ Under T.V. Narendran, Tata Steel has followed an inorganic growth path, acquiring Bhushan Steel in 2018
- ❷ It was followed by the acquisition of Usha Martin in 2019
- ❸ Earlier this year, subsidiary Tata Steel Long Products acquired Neelachal Ispat Nigam
- ❹ During his stint, Narendran has more than doubled Tata Steel's India capacity to 20 million tonnes
- ❺ The MD & CEO aims to make Tata Steel the most respected and valuable steel company globally in the next 5 years

Acquisition Acumen

For Tata Steel MD & CEO T.V. Narendran, making the India business bigger for the global steel maker was a strategy he wanted to get right. A couple of acquisitions later, it seems he has indeed got it right

By **Ashish Rukhaiyar**

► **TATA STEEL IS** valued at nearly ₹1.5 lakh crore. The stock has gained around 67 per cent in the last one year (till February 28) even as the benchmark Sensex rose less than 13 per cent. The company has a rich history of over 110 years and is one of the world's most geographically diversified steel producers with more than 65,000 employees.

Managing such a diverse entity—in terms of structure and culture—is no easy task and MD & CEO T.V. Narendran has been doing it for a little over seven years. During that time, Tata Steel has gone from producing 7.94 million tonnes of steel in FY13, the fiscal before Narendran took over, to 28.54 million tonnes in FY21. And he has emerged as the winner in the Metals & Mining category of the *BT-PwC* India's Best CEOs ranking.

For the MBA from IIM Calcutta, manag-

PHOTO BY **BANDEEP SINGH**

ing Tata Steel has been all about getting the strategy right, especially when some of its acquisitions did not bear the desired results. “Strategy is an iterative process; you debate with multiple people, your leadership team, your board, your chairman, and then it emerges,” says Narendran. Indeed, or what else could explain—if analysts are to be believed—his move of looking inwards to improve the capacity in India rather than in the overseas markets.

Tata Steel acquired Corus in 2007 and at that time, the Indian business was 5 million tonnes while Corus was 18 million tonnes. Narendran, who has been at the helm since November 2013, knew that he had to make the company “structurally, culturally and financially future-ready”. “It was very clear we needed to grow in India, because the India business, even in the worst of times, added 20 per cent EBITDA margin and was always cash positive. India was only 20 per cent of the overall revenue and we said we needed to get that up,” he says.

Part of his strategy as CEO was to exit or shrink the assets that were not adding value and sucking a lot of capital. For instance, Tata Steel sold its stake in NatSteel Holdings last year for \$172 million, slightly lower than what it paid to buy the company in 2004. The impact can be gauged from the fact that Tata Steel’s net profit grew at a CAGR of 48.32 per cent for the three-year period till March 31, 2021.

Through a series of decisions with an aim to drive efficiencies and make the size more sustainable, Narendran has brought Tata Steel to a stage wherein the India business is currently at 20 million tonnes and well on its journey towards 25 million tonnes while the European business has stayed at 10 million tonnes. Incidentally, India accounted for 86 per cent of the overall EBITDA in FY21, touching a record ₹21,952 crore. In the same fiscal, EBITDA for Tata Steel Europe was in the red at ₹618 crore, as per the company’s earnings presentation.

One of the highlights of his stint has been the inorganic growth that Tata Steel has seen in the domestic market. It acquired Bhushan Steel in 2018 and followed it up with the acquisition of Usha Martin in 2019. “When the Bhushan [Steel] acquisition came, that was an immediate opportunity for us to grow even faster in India... Even after 10 years of signing an MoU in Odisha, we were producing 3 million tonnes. And there was an opportunity to bid for and get 5 million tonnes overnight,” says Narendran, who is used to facing queries on the perceived high price he paid for all the acquisitions.

For Narendran, the learning came from the failed attempt to acquire Electrosteel Steels in 2018, when the company lost to Vedanta. He realised Tata Steel hadn’t put in its best bid. “So, when we went for Bhushan Steel we were clear that we had to bet a number, which we should not regret,” he says. Narendran paid a little over ₹35,000

crore for Bhushan Steel and while many in the industry felt that he paid a bit too much, the results have silenced the critics. “As the last 3-4 years have shown, we have unlocked value and taken it from 3 million tonnes to 5 million tonnes and pretty much paid back all the debt that we had. And today we are where we are,” he says.

Narendran’s acquisition acumen was on display recently when subsidiary Tata Steel Long Products bought Odisha-based Neelachal Ispat Nigam for ₹12,100 crore. Some analysts felt that paying that much for a 1-mil-

Metals & Mining

T.V. Narendran

MD & CEO, Tata Steel

Revenue from operations	FY21	64,869.00
	Q3 FY22	31,964.25
Profit before tax	FY21	17,795.13
	Q3 FY22	10,262.69
Profit after tax	FY21	13,606.62
	Q3 FY22	7,683.39
	RoE (%)	16.50
	Market Cap	1,44,590.33

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of February 7
- Data Source: BSE, ACE Equity

lion tonne plant didn’t make sense. “We did not value (Neelachal) in terms of a 1-million tonne steel plant... What we were looking at was the 2,500-acre plot of land, where we could go up to 10 million tonnes. Then it also has 100 million tonnes of iron ore. There are a lot of reasons why this was an asset we didn’t want to lose,” he explains.

The Tata Steel boss seems to have convinced the analyst community of his acumen and foresight. “He took leadership of Tata Steel when it was struggling... He brought the focus back to India. He was involved in setting up of greenfield capacities at Kalinganagar and that has come out as a game changer... [the company has] more than doubled the capacity in India, which is highly profitable,” says Rakesh Arora, Managing Partner, Go India Advisors.

Ask Narendran where he sees the company in the next five years and he says, “Hopefully [as] the most respected and valuable steel company in the world.” **BT**

@ashishrukhaiyar

GROWTH ON GAS

Pankaj Kumar's management practices have helped GSPL become the country's second-largest natural gas company

By **Manish Pant**



RIDING HIGH Pankaj Kumar, CMD, Gujarat State Petronet

► **IN HIS OVER** three-decade career as a bureaucrat, Pankaj Kumar has shouldered responsibilities in revenue, home, health, agriculture and disaster management departments in various capacities in Gujarat. This diverse exposure is serving him well in his current role as the state Chief Secretary as well as Chairman & Managing Director of the state-government-owned gas transmission company Gujarat State Petronet Ltd (GSPL).

GSPL was established by the Gujarat government in 1998 to develop a state-wide gas grid that would connect supply sources and demand markets. Since its inception, the company's end objective has been to support the efforts of its parent, Gujarat State Petroleum Corp. (GSPC), which at that time was primarily engaged in oil and gas exploration and gas trading, to develop a robust gas market in the western state.

In the past decade, as the 10-company strong and ₹20,000-crore turnover GSPC group has gradually retracted from exploration and production activities, GSPL has catalysed Gujarat's transformation into a gas-based economy. With over 2,700 km of natural gas pipelines covering the state's 25 districts, GSPL is India's second-largest natural gas transmission infrastructure company. Kumar is the winner in the Oil & Gas category of the BT-PwC India's Best CEOs ranking.

"GSPL is the only pure-play natural gas transmission

Key Highlights

- ❶ With over 2,700 km of natural gas pipelines, GSPL is India's second-largest natural gas transmission infrastructure company
- ❷ Efficient management practices have made the company largely debt-free
- ❸ Completion of the second phase of the 1,650-km Mehsana-Bhatinda pipeline remains a priority
- ❹ GSPL plans to invest ₹4,300 crore in adding more than 1,000 km to its pipeline network
- ❺ As a result of GSPL's targeted initiatives, the share of natural gas in Gujarat's primary fuel mix is over 25%

PHOTO BY NANDAN DAVE

company in India, focussed on providing cleaner energy to every possible consumer to cut down on pollution. This has been achieved with more than 70 per cent network penetration and our 100 per cent area under city gas distribution (CGD) licensing,” says Kumar. In FY21, GSPL reported ₹2,079.42 crore revenue from operations, with profit after tax of ₹924.24 crore.

Expansive Distribution Network

GSPL transports over 37 million metric standard cubic meters per day (MMSCMD) of gas and caters to diverse customers, including oil refineries, fertiliser plants, petrochemical plants, power plants and CGD entities. As a result of the targeted initiatives by GSPL, the share of natural gas in Gujarat’s primary fuel mix is over 25 per cent, almost four times the national average of 6-7 per cent, and even higher than the global average of 24 per cent, mentions Kumar with immense pride.

Three of India’s six operational LNG import and re-gasification terminals accounting for nearly two-thirds of the country’s capacity are in Gujarat. More than 87 per cent of the country’s LNG imports in FY21 were routed through the state. “The state has the presence of a large number of industrial consumers including automobiles, ceramics, pharma and chemicals, among others. It also has access to LNG capacity of 27.5 million metric tonnes per annum (MMTPA), while a total of 15 MMTPA of incremental capacity is expected to be added soon. GSPL has been swift in making natural gas available to industries looking for greener alternatives,” says Swarnendu Bhushan, Senior Oil & Gas Analyst at Motilal Oswal Financial Services.

In the immediate aftermath of the March 2020 Covid-19-induced nationwide lockdown, there was a sharp decline in gas demand and offtake remained low for several weeks due to a disruption in economic activity. “We kept our supplies running uninterruptedly and also worked closely with... GSPC for optimising gas supplies,” informs Kumar. The proactive approach came in handy with gas demand witnessing a V-shaped recovery due to a sudden rebound in economic activity.

Well-oiled Structure

Efficient management practices have made the company largely debt-free. Kumar is now focussing on making GSPL’s balance sheet stronger. Several new projects are already in the pipeline. Completion of the second phase of the 1,650-km Mehsana-Bhatinda pipeline remains a priority. The trunkline with a 36-inch diameter pipeline will have various spur lines along the route. The first phase of

the Mehsana-Bathinda and Bathinda-Gurdaspur pipeline totalling 440 km was commissioned in October 2018. “Work is in advanced stages of completion and we expect to commission the pipeline shortly,” says Kumar.

GSPL plans to invest ₹4,300 crore in adding more than 1,000 km of the pipeline network. It proposes primarily to connect to the upcoming LNG terminals in Gujarat as well as interconnect with the Mehsana-Bathinda pipeline network for gas supply security to northern states.

“Under his [Kumar’s] guidance, the company has been focussing on further expanding its reach to industries and on capitalising on the upcoming LNG terminals in the state,” points out Motilal Oswal’s Bhushan. “It has also transferred geographical areas of Amritsar and Bhatinda to GGL, to focus on its core strength of gas transportation. It is further expediting the Mehsana-Bhatinda pipeline, which will increase its connectivity to northern India.”

Oil & Gas

Pankaj Kumar

CMD, Gujarat State Petronet

Revenue from operations	FY21	2,079.42
	Q3 FY22	471.15
Profit before tax	FY21	1,246.68
	Q3 FY22	285.62
Profit after tax	FY21	924.24
	Q3 FY22	213.34
	RoE (%)	12.96
	Market Cap	17,752.91

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of February 7
- Data Source: BSE, ACE Equity

A 1986 batch officer of the Indian Administrative Service (IAS), Kumar cut his teeth as an administrator in several districts of the state at the beginning of his career. He is known for effecting changes in work culture for enhanced transparency and accountability in the government. He has a simple mantra for managing his various responsibilities: “The ability to demystify the complexity and come up with a simple workable solution is one of the main tasks of a senior manager.” **BT**

@manishpant22

Where Chemistry Meets Business

With years of experience under his belt, Satyanarayana Chava is now successfully guiding his company Laurus Labs on the research path for a better tomorrow

By **Neetu Chandra Sharma**

► **TURNING CHALLENGES INTO** opportunities, Satyanarayana Chava, Founder and Chief Executive of Laurus Labs, has taken his pharma company to new heights in the past two years. Chava, who played a major role in the success of Matrix Laboratories as CEO, has also worked with Ranbaxy Laboratories, Vera Laboratories and Vorin Laboratories in different roles. And now, he is writing the growth story of his own company.

For Chava, the past 15 years have been extremely rewarding despite the challenges. “Each challenge was converted into an opportunity. If there is no challenge, there is no opportunity. Our success depends on how much we innovate and build facilities to make a product commercial,” he says.

In March 2020, the company received the US Food and Drug Administration’s approval to market hydroxy-

chloroquine tablets, which were in heavy demand at the onset of the pandemic. The Hyderabad-headquartered company had also announced that it would supply hydroxychloroquine for clinical trials of preventive treatment of Covid-19. Like all other organisations, Laurus Labs faced its own share of struggles that the pandemic presented. “The first thing for us as a healthcare company was the responsibility to supply drugs. The second was how to run our factories while taking care of the health of our colleagues and their families. We were fortunate that all of our colleagues were very forthright to take this mission forward, thus ensuring that we did not need to shut our factories,” says Chava.

Founded in 2005, Laurus Labs is scaling up fast. Its consolidated revenue for FY21 increased 70 per cent. Chava says his company has been able to sustain both EBITDA margins and profitability. The generic API division saw a growth of over 100 per cent for the October-December quarter. But even as Laurus Labs reports healthy numbers, Chava says the revenues are secondary. “We started with APIs and bulk actives and later moved into formulations. After that, we got into biology and cell therapy by investment. So, we aim to be a research-driven manufacturing company in the next 10-15 years.”

Chava finds himself at the top of the Pharma & Healthcare category in the BT-PwC India’s Best CEOs ranking.

With investment plans of up to ₹1,700 crore before the end of FY23, Laurus Labs plans to boost capacity in biotechnology and contract development. “We invest in products and capacities much before the requirement. In any industry, growth comes from two things—either you invest in capacities or buy companies. Instead of putting

Pharma & Healthcare

Satyanarayana Chava

Founder and CEO, Laurus Labs

Revenue from operations	FY21	4,768.72
	Q3 FY22	932.58
Profit before tax	FY21	1,274.63
	Q3 FY22	141.95
Profit after tax	FY21	956.11
	Q3 FY22	109.16
	RoE (%)	42.32
	Market Cap	28,404.81

● Standalone results; all figures in ₹ crore except RoE

● M-cap as of February 7

● Data Source: BSE, ACE Equity



LOOKING AHEAD Satyanarayana Chava, CEO, Laurus Labs

Key Highlights

- ❶ Laurus Labs plans to invest up to ₹1,700 crore before the end of FY23 to boost its capacity in biotechnology and contract development
- ❷ Under Satyanarayana Chava, Laurus Labs aims to become a research-driven manufacturing company in 15 years
- ❸ The company has grown from a turnover of ₹1,900 crore in FY17 to ₹4,769 crore in FY21
- ❹ Laurus Labs is also building an abbreviated new drug application pipeline for the US market

PHOTO BY KRISHNENDU HALDER

money on the ground, we can buy the companies to grow. However, our philosophy is organic growth. We want to build facilities and for that, we need to invest ahead of time.”

According to Tushar Manudhane, Research Analyst at Motilal Oswal Financial Services, Laurus Labs continues to strengthen its quarterly performance with better-than-expected Q3FY21 results. While the ARV (antiretroviral therapy) segment is the key growth driver currently, it is building additional levers such as contract manufacturing services on the biotechnology front, adding new dosage capabilities, and building an abbreviated new drug application pipeline for the US market.

“We have one of the largest research divisions in the pharmaceutical industry in APIs. But if somebody wants to measure our efficiency based on the number of products we develop, we might be the lowest in the quartile. We want to become a leader in the products we make, that’s our philosophy,” says Chava. Laurus Labs puts a lot of products for development, but also kills many if it realises it cannot become the leader in the segment. “We don’t want to be a fifth player or 10th player, we want to be first, second or third in the market share for that product,” says Chava.

V.V. Ravi Kumar, Executive Director and CFO, Laurus Labs, has known Chava for 27 years. “The past five years have been extremely promising under him. The company has grown from a turnover of ₹1,900 crore in FY17 to ₹4,800 crore in FY21. Profits, too, have increased 3.6 times. And it is important to note that amid all these, he keeps in mind the impact of his decisions on the 10,000 families associated with Laurus Labs,” says Kumar. FY21 has been the best year in the history of Laurus Labs even though it did not make any Covid-19 vaccine. “Hydroxychloroquine is the only drug we made, and it did not have significant revenue in FY21. All our revenues were registered through our regular products,” he says.

Kumar, who fondly refers to Chava as Dr Satya, shares that the CEO reserved 5 per cent of the company’s equity in 2006 for ESOPs. “Dr Satya loves to call himself the founder and first employee of the organisation rather than a promoter. As a founder and the first employee, he never held 50 per cent stock. He believes that after a certain [point], there is no value [of] money. His passion is the subject of Chemistry. Applying knowledge on a commercial scale is what makes him a successful leader,” sums up Kumar. **BT**

@neetu_csharma



AVSN Murthy
Managing Director, DESMI India

A strategic brainchild of Denmark, DESMI India is here to clean up and transform India into an environmentally-sustainable economy

Mr. AVSN Murthy, Managing Director, a seasoned and influential professional, intends to take DESMI India to newer heights

Know The Parent (Company) - DESMI A/S

DESMI was founded in Denmark in 1834 and is among the oldest companies. It offers pumps and pumping solutions for the Marine & Offshore, Defence & Fuel, Industry and utility Including environmental equipment for oil spills, seaweed, and clean waterways. DESMI thrives upon a robust foundation of supplying sustainable solutions and maintaining an innovative approach.

The Strategic Brainchild - DESMI India Private Limited

Established in 2014, DESMI India Private Limited caters to technology and solutions to the Indian sub-continent. And this extends to Bangladesh, Sri Lanka and the Maldives. A strategic brainchild, DESMI India was founded by Mr. AVSN Murthy, the current Managing Director. He has been integral in building the blocks for DESMI in the Indian market. In this stead, DESMI had its first Liaison Office in 2014 in Hyderabad.

DESMI believes in acting locally when catering to different global markets. So, here in India, it takes upon the baton

of Self-Reliant India and is a supporter of the 'Make in India' and 'Atma-Nirbhar Bharat' sentiments.

The Founder's Table

Mr. AVSN Murthy is a Mechanical Engineer and a Master of Business Administration by qualification. With these, he brings extensive knowledge of technology and business. Also, Mr. AVSN Murthy carries tons of experience on his back - over 29 years. He has offered his services at globally-renowned companies such as Grundfos, SPX, CUMI (Murugappa Group), Sealol.

Visionary Leadership - Journey So Far

DESMI India, a flare-up by the Danish headquarters, needed careful consideration when setting foot into the adversely competitive and dynamic Indian sub-continent. And Mr AVSN Murthy, the Managing Director, has done justice to the corporation.

He brought DESMI to India in 2014 and started with a liaison office in Hyderabad, which later evolved into an assembly and manufacturing centre. The accomplishments so far have been stellar.

First was entering the complex market and attaining higher market shares in the Commercial Vessels, Industry and Oil Spill Response Equipment sectors along with Defence market and Indian Navy and Coast Guard markets. Consequently, DESMI is now a preferred brand in these areas.

What makes DESMI different?

DESMI India inherits its drive for innovation and zeal for sustainability and the environment from its Danish parent. Known for its green initiatives, DESMI is helping India battle climate change through rapid modernization. It recently has deployed its new product and technology to the pollution response of cleaning water bodies. And this has also been done in India.

Another unique aspect of DESMI is its team. No corporation can scale great heights without a synergistic and adaptive team. DESMI India has over 40 young employees. And the average age at DESMI is less than 30 years. These youngsters handle the vast market, its business and the products. They are encouraged to take on responsibilities as though running their businesses.

What's more, Mr AVSN Murthy believes in youth empowerment. Youth shall curate and carve new-gen ideas and solutions to issues. He believes that they shall take forward the baton of innovation going ahead.

Projects and Achievements

As a youth-oriented corporation, the young employees are empowered. Also, the average experience of the employees is only 5-6 Years. And this, he cites as an achievement.

DESMI is committed to sustainable growth. And as a natural step now also toward the sustainable development goals set up by the United Nations. The enterprise stands in solidarity with the local authorities and other manufacturers to make a difference.

For our projects, the one in Hyderabad expresses the dedication of all the parties - DESMI, WRI India, HMDA and the Indian government towards a clean-up project upstream of the Hussain Sagar Lake. It is the world's largest heart-shaped lake. Hussain Sagar was officially declared the 'Heart of the World' by the United Nations World Tourism Organisation in 2012. There have been several campaigns to save the heart. And DESMI continues the efforts towards it. With innovation and modern-day equipment at DESMI, about nine tonnes of waste have been prevented from entering the lake. And the best part? This took less than a month.

Through this project, DESMI strategically combated marine plastic pollution. This has created a highly positive impact on the overall society and environmental sustainability. In this stead, DESMI India tapped into the varied United Nations Sustainable Development Goals.

Challenges overcome

Like any corporation, DESMI faces the challenge of maintaining a high spirit and continual motivation. It is the lack of these that lead to high attrition rates. The problem is that the cycle gets continually restarted. New and fresh young engineers must get recruited, trained

and put on the field. And doing this is very time-consuming. To tackle this, Mr AVSN Murthy, Managing Director, believes in nurturing, grooming, mentoring and coaching the staff in the right direction. And all this is done from the very beginning. The result? DESMI gets its core strength as a robust and committed team with High-Value Systems.

According to him, enterprises face profound business challenges. And these primarily pertain to mindset and mentality. In this stead, there must be a change from profit to purpose, hierarchies to networks, and from controlling to empowering. Also, companies need more experimenting and less planning. It is the former that shall create breakthroughs and disruptions. And lastly, privacy to transparency.

Today, the Managing Director has a reliable, credible and committed team that delivers timely results.

Into the future: plans and goals

First up is to grow the top-line revenues to INR 1000 million. The current business and order books at DESMI are poised to reach the INR 1000 million company milestone. Now, in the eighth year since its inception, the company has carved an esteemed reputation and goodwill.

At the company-wide level, DESMI intends to impart quality consciousness and reliability into the minds of the sell-

ers and customers. Today, money and company downtimes are considerable threats to enterprise performance. Also, customers seem more concerned about the price points than technology, product, reliability, and quality. And this factor is detrimental to innovation and design thought processes. So, this is a sentiment change that DESMI intends to reform.

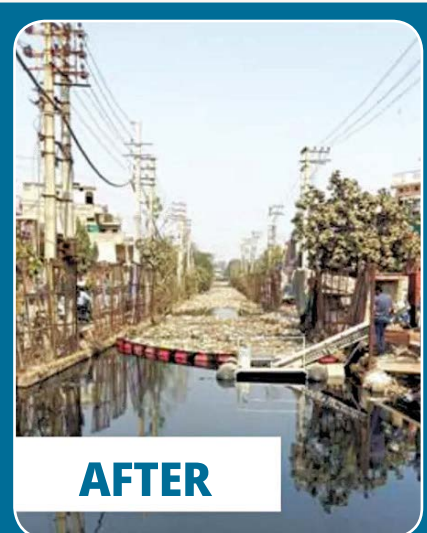
Another objective is to focus on the Life Cycle Cost phenomenon. Doing so shall keep the company in good stead for long-term gains over and above the capital expenditures and investments when calculated financially.

Few good words to live by

Mr AVSN Murthy, Managing Director, believes in the following quote by Jack Welch, "Before you are a leader, success is entirely about growing yourself. But, when you become a leader, success is all about growing others".

In resonating with the quote, Mr Murthy believes in building a solid team. And that a corporation is all about people. He believes in channelling the young minds and their energies and empowering them. The people can then leverage their knowledge and create opportunities to transform the enterprise to even greater heights.

In this stead, 'youth is the secret of adaptability, agility and scalability at DESMI'.



THE POWER RANGER

Known as one of the brightest minds in the industry, Power Grid CMD K. Sreekant has earned the admiration of both colleagues and shareholders

By **Prerna Lidhoo**



A FAIR BOSS K. Sreekant, Chairman & MD, Power Grid

► **WHEN K. SREEKANT** was appointed the Chairman and Managing Director of Power Grid Corporation of India in August 2019, one of the first things he changed was the setting of his seventh-floor office in Gurugram. He had the pale, brown wall opposite his desk replaced with large French-style windows that showed off the building's vertical garden and the city's distant skyline. The view serves as a metaphor for Sreekant's leadership skills: open, positive and practical.

For Sreekant, it's all about fairness and merit. "I believe in meritocracy. Ultimately, people make an organisation. The key is to engage in a two-way communication with them," he says. Perhaps that is one of the reasons why India's largest power transmission firm reported consolidated revenue of ₹10,447 crore in Q3FY22, up 3 per cent from ₹10,142 crore in the year-ago period. The PSU's consolidated net profit stood at ₹3,293 crore. And Sreekant is the winner in the Power category of the BT-PwC India's Best CEOs ranking.

Asked to describe himself, he recalls a management class he had attended. "We were asked to draw a picture which defined who we were. I drew a landscape with mountains and a river. I said the river is what I feel I am. I just go with the flow," he says. But people, he adds, think he is more like the mountain—resilient.

Sreekant is known to be one of the brightest minds

Key Highlights

- ❶ K. Sreekant, Chairman and Managing Director of Power Grid Corporation of India, is known to be an open, positive and practical boss
- ❷ In 2019, he was elevated to the post of CMD directly from Director (Finance)
- ❸ Power Grid reported consolidated revenue of ₹10,447 crore in Q3FY22, up 3 per cent from Q3FY21
- ❹ Analysts say Power Grid's dividend payout has been going up
- ❺ Sreekant will now focus on traditional transmission and expanding the data centre business, which Power Grid will go about with start-up-like fervour

PHOTO BY RAJWANT RAWAT

in the power sector with expertise in multiple areas. Going forward, Power Grid's consultancy and telecom (run under the brand name Powertel) businesses are the two key growth areas, he says. The challenge now is to diversify. "At one point... telecom, consultancy, etc. were like cherries on the cake. But we need to deepen that. We're now going to focus on our data centre business. That's why we've set up a data centre unit at Manesar and will look at scaling it up," Sreekant says. Power Grid also plans to improve its global footprint in the consultancy space. "We have a footprint in 21 countries. Our next step is to increase our engagement and look at global investments."

M. Taj Mukarrum, Power Grid's Director (Finance), has known Sreekant for the last 38 years. Both joined NTPC as trainees, with 58-year-old Sreekant staying on till 2016. "He was the youngest in a batch of 20-25 management trainees and is a gold medallist. Sreekant is a natural leader, backed by sheer hard work, sharp memory and analytical ability... [and] has always kept his head high with knowledge and a deep involvement in all issues relevant to his area of work," he says. Sreekant, Mukarrum says, has oodles of energy, keeps himself focussed and still appears fresh at the end of the day. His colleagues admire him for the way he managed the business despite the second wave of Covid-19 claiming at least 35 lives at Power Grid. "To the credit of my team, despite losing so many people, system availability and product execution didn't come down. Keeping them motivated was my biggest test as a leader," Sreekant says.

The next challenge, he says, will come from digital disruption. "In a large organisation the inertia is very high. The good thing is [that] traditional power businesses like smart metering, storage, transmission, etc. will continue to grow. But there will be additions. We have to enter these [new] spaces and do well. The willingness to change is essential," he says. "Digital disruption doesn't scare us. We want to harness it and turn it into productivity."

Sustaining growth, he feels, has been one of his key achievements. "There has always been a focus on addition of new transmission lines and capacity. Since 2012, Power Grid was doing almost ₹20,000 crore annually kind of capex. That kind of a growth cannot be sustained. Today, the competitiveness in this sector has increased. Everyone is now looking at tariff-based competitive bidding. One challenge is that the pie itself has reduced," he says. The second, he adds, is sharing that "pie with the private sector while our keeping leadership position intact". Sreekant calls himself a moderate risk taker. "I'm not risk averse but I will not play blind," he says.

Just like his colleagues, Swarnim Maheshwari, VP, Institutional Equities at Edelweiss Securities, too, holds Sreekant in high regard. "He doesn't dismiss any question and listens to everyone. Despite a financial background, he became the CMD of the world's third largest power transmission company—a testament to the fact that he has technically sound knowledge of the power sector," he says.

Power

K. Sreekant

Chairman and MD, Power Grid Corporation of India

Revenue from operations	FY21	37,665.65
	Q3 FY22	10,001.00
Profit before tax	FY21	14,626.07
	Q3 FY22	4,279.23
Profit after tax	FY21	11,935.78
	Q3 FY22	3,349.44
	RoE (%)	23.02
	Market Cap	1,49,030.55

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of February 7
- Data Source: BSE, ACE Equity

Maheshwari calls Sreekant a solid leader with an inclusive approach. "This company stood out under his leadership [during the pandemic]. The environment under him is very fair and transparent... from an equity holder's perspective, the dividend payout is going up."

Sreekant's next big focus is clear: traditional transmission and expansion of the data centre business. Though Power Grid is a PSU, experts say in the last few years, it has shown a start-up-like fervour. "It is a PSU yet its business style is commercial. It can take on the competition, given its strong technical/financial capabilities. It... is a torch-bearer for the entire industry," says Maheshwari.

But who inspires Sreekant? Everyone from ancient Sanskrit scholars to his gardener. "I always tell people: if you want motivation, go meet my gardener. He's a self-starter and never says no to a task. *Ho jayega* [it'll be done] is his response to everything. I think that's an incredible learning about the pursuit of excellence," he says. **BT**

@PLidhoo

Blueprint for Success

Veteran realtor Irfan Razack's uncanny ability to spot an opportunity in the most unlikely locations and his courage to take risks are fuelling Prestige's fabulous rise

By **Arnab Dutta**

► **WHEN THE COVID-19** virus started making news in early 2020, most of India's real estate developers were yet to gauge the likely impact of the surging storm. And with the sudden national lockdown halting all activities, they were forced into wait-and-watch mode. Already struggling with poor demand, the residential segment could sense the impending gloom. At Prestige Estates Projects, however, the mood was different.

Under the leadership of its Chairman and Managing Director Irfan Razack, the Bengaluru-based real estate major decided to turn the pandemic into an opportunity. Anticipating a slowdown in the rental business, it offered US-based investment management group Blackstone 12 assets and undertakings comprising completed retail, office- and hotel assets. This included 100 per cent stake in Cessna Business Park and Aloft Hotel, Trade Tower in Bengaluru and Prestige Fintech in GIFT-City. Ad-

ditionally, it sold 85 per cent of its rights and interests in retail properties such as Forum Shantiniketan, Forum Koramangala, Forum Neighbourhood and Oakwood Residences in Bengaluru, Forum Centre City in Mysuru, Forum Fiza in Mangaluru, Forum Celebration in Udaipur and Forum Sujana in Hyderabad. "I had done some calculations you may call intuitions, based on what was the cost against what we were getting from those assets. So, I said to them if you want to take them all, take them, but no cherry picking," Razack recalls.

The deal not only reduced the firm's net debt by 90 per cent to less than ₹1,000 crore, it also reduced its cost of servicing by a big margin.

Since then, Prestige has launched some of its largest projects and has aggressively charted newer territories such as the highly competitive Mumbai market and the Delhi-National Capital Region. Company insiders who have closely watched Razack steering the group during the past two years, say his "positivity" is infectious.

Razack finds himself the winner in the Real Estate category of the BT-PwC India's Best CEOs ranking.

Juggy Marwaha, Chief Executive of Prestige Office Ventures, says, "He made us believe the world is resetting and we are rebooting our energy. Unlike many others, we pushed ourselves and sped up construction and delivery. This resulted in even higher sales. One should learn from this man how to find an opportunity in a crisis."

Be it his associates or competitors, Razack's unconventional operating style draws appreciation from all. Take Raj Menda, Co-owner and Corporate Chairman of RMZ Corp, for instance. He is both. A friend for over 40 years and a fierce competitor in the commercial real estate space, Menda pins Prestige's success to three important factors—Razack's in-depth knowledge on all

Real Estate

Irfan Razack

Chairman & MD, Prestige Estates Projects

Revenue from operations	FY21	4,054.20
	Q3 FY22	996.80
Profit before tax	FY21	235.80
	Q3 FY22	161.20
Profit after tax	FY21	212.80
	Q3 FY22	121.30
	RoE (%)	3.96
	Market cap	18,421.60

● Standalone results; all figures in ₹ crore except RoE

● M-cap as of February 7

● Data Source: BSE, ACE Equity



EYES ON THE PRIZE Irfan Razack,
Chairman & MD, Prestige Estates Projects

Key Highlights

❶ Under Razack, Prestige saw higher sales in the past two years of the pandemic than pre-Covid-19 times

❷ Spotted the opportunity early—sold off retail and hotel assets at the right valuation to Blackstone and focussed on developing newer projects

❸ Razack's ability to see an opportunity at under-valued locations and efficient execution boosted fortunes

❹ Aggressive bets in larger markets like Mumbai and NCR, and 43 million sq. ft upcoming office and retail portfolio to boost rental income 10x

❺ Launch of \$500-million fund to fuel land acquisitions

| 111

PHOTO BY **SANDESH RAVIKUMAR**

aspects of the business, design innovations, and his futuristic, non-confrontational approach.

Balakrishna Hegde, Founder and Managing Director of Chartered Housing Private Limited, has known Razack for years. What impresses Hegde is how Razack has managed to chart his own path. "He is a lion. Which ever path he treads on, it turns into a highway. If he sets his eyes on to something, he gets it," says Hegde. The group's fortunes ride on Razack's uncanny ability to visualise business prospects of a site that may appear mundane to others. "His gut and his tremendous courage are Razack's real strengths," Hedge adds.

The man himself is dismissive about his contributions. "During the first set of lockdowns in 2020, it was very important to ensure that the construction workers were taken care of so that even if they went back to their homes, they came back as soon as the situation normalised. And similarly, vaccinating and arranging healthcare benefits last year was the priority. These things gave them the

confidence that the management is keen on taking care of them and this has been the key behind Prestige's ability to minimise disruptions," says Razack.

By December 2020, Prestige's business had made a turnaround with strong sales and gross bookings, according to an analysis by HDFC Securities. The company managed to grow sales by 55 per cent year-on-year and with over 3 million sq. ft of gross bookings—85 per cent higher YoY—Prestige was already outperforming its peers.

M.V. Satish, Whole-time Director and Senior Executive VP at L&T—which has awarded one of its largest projects, a 6,000-unit-plus residential project in Mumbai's Malad, to Prestige—says what is striking about Razack is his transparency in dealing with the stakeholders of any project and his humbleness. "After all, you don't expect somebody like Razack to sit with a small-time plot owner and sort out whatever issues he may have," he says. **BT**

@arndutt

FARM TO FIBRE TO FASHION

K.P. Ramasamy, a farmer's son who could study only till high school, set up one of India's largest knitwear garment export businesses which supplies to top global fashion brands like Marks & Spencer, H&M and Primark

By **Vidya S.**

112 |

► **IT WAS THE** late '90s when a young mill worker asked Chairman K.P. Ramasamy if he could help her complete her education, transporting the man back 25 years to when he had to quit college to return to his village because his farmer father could not afford to educate all four sons.

Why shouldn't we educate the young women in our factories interested in studying, he asked his brothers and the rest of the management. A correspondence programme was arranged for around 50 women workers at their mill. They took to it with gusto and cleared their +2 examinations with flying colours.

Beaming, like a proud *appa* (father) that his employees refer to him as, K.P. Ramasamy (KPR) recalls saying in Tamil: "*Inimey ovoru varushamum indha maadri padikavekkalam* (Let's do this every year)." Today, some 27,000 women have completed their education, even earning an MBA in many cases, while working at the Coimbatore and Tirupur-based KPR Mill. Some have become nurses in nearby hospitals, a few work at IT firms and many have returned to work at KPR Mill.

"Satisfied employees are better performers. It's a win-win," says the septuagenarian. The motto has held the company in good stead even through the Covid-19 pandemic. When factories across the country sent away their labourers during the nationwide lockdown in 2020, KPR Mill gave its workers a choice: If you stay, we will provide you food, shelter, full salary and entertainment. Each of their 12 factories has a cinema hall, sports



GIVING BACK K.P. Ramasamy, Chairman, KPR Mill

Key Highlights

❶ From modest beginnings in a village near Erode in Tamil Nadu, K.P. Ramasamy and his brothers built KPR Mill into one of the largest, fully integrated knitwear garment exporters in the country which supplies to global brands like Marks & Spencer and H&M

❷ While yarn spinning was its core business, over the past 3-4 years KPR Mill has ramped up focus on apparel production. It debuted its brand of men's premium innerwear and athleisure, FASO, in 2019

❸ A high-school graduate himself, Ramasamy's company has funded the education of 27,000 girls from rural backgrounds while they worked at KPR Mill. Many have even completed MBAs

facilities and an auditorium. “100 per cent of the people said we will stay here only,” says KPR. The company has around 25,000 employees.

What would have happened if the lockdown had extended to 6 months, he asks himself now. Revenue was zero. Expenses were running into crores. And lenders were watching keenly. Thankfully, he says, the lockdown was relaxed in two months. They were able to swing back to full efficiency within a week of restarting operations. Other factories were grappling with labour shortage for 3-4 months after. “What we lost...no, sorry, spent in those two months, we made back in two months... It was risky, but it turned out to be a good thing.”

His youngest brother and MD P. Nataraj calls him the HR Head who has really built the company’s culture. “He meets all the people directly. There is no separate lunch for the Chairman, MD or staff. Whoever visits our factories, we will have lunch together with the staff,” he says about the patriarch of the ₹3,000-crore profitable family business, who is the winner in the Textiles & Apparel category of the BT-PwC India’s Best CEOs ranking.

Starting off with a modest loan of ₹8,000 he took from his mother’s uncle in the ’70s to get into power loom fabric manufacturing, he and his brothers set up the KPR Mill company in 1984 and grew it into the fully integrated knitwear garment business it is today with factories to spin cotton into yarn, knit yarn into fabric, process the fabric, produce garments and export them. “Vertical integration from yarn to garment gives KPR an edge with lower cost of production than unintegrated peers,” says Bharat Chhoda, Research Analyst, ICICIdirect.

Getting in, they didn’t have any big ambitions apart from making a livelihood. “We had honestly not set any aim of achieving this much, or earning these many crores,” says KPR. But a chance conversation his chartered accountant brother Nataraj had with a friend around 2003-04 about his family’s vision for their business to grow beyond generations sparked off their journey to the bourses.

Go for a public listing after raising private equity and be prepared to change your mindset to run the company professionally, advised the friend. After many rounds of discussion within the family and with Ernst & Young consultants and getting three US-based investors on board, the company went public in 2007. “When my brother approached me with this idea, I was apprehensive. But he was confident of taking it on without an issue,” says KPR. The shares were listed at ₹225 for 10 shares. Today, it has given its shareholders 30x return, rising steadily over the past 18 months.

Though their core business was spinning, the focus

is now squarely on the garments export business, says KPR. The 157 million knit garments they produce and export every year to global fashion apparel brands like Marks & Spencer, H&M and Primark bring in around 40 per cent of their revenue. The plan is to double the capacity, he says. “In the past 3-4 years, we have seen merit in expanding the garment business. So, we commissioned another garment factory last month.”

Textiles & Apparel

K.P. Ramasamy

Chairman, KPR Mill

Revenue from operations	FY21	2,953.64
	Q3 FY22	1,007.55
Profit before tax	FY21	584.82
	Q3 FY22	232.33
Profit after tax	FY21	432.62
	Q3 FY22	175.22
	RoE (%)	25.36
	Market Cap	23,792.78

- Standalone results; all figures in ₹ crore except RoE
- M-cap as of February 7
- Data Source: BSE, ACE Equity

Calling it a positive move, Chhoda says KPR Mill has used its capacity optimally and got a premium in realisations from global brands owing to strong demand. “It has improved its garmenting segment margins. The key challenge will be to maintain optimum utilisation after the recent capacity expansion and continue the momentum of profit growth.”

The company has also forayed into retail in 2019 with its FASO brand of premium men’s innerwear and athleisure, selling from 2,500 stores across south India and through e-commerce platforms. “We should have gone pan-India by now, but because of Covid-19 the plan got delayed,” says KPR.

With one son of each of the three brothers also having entered the business, the family is hard at work on their vision: “We have dedicated our entire life for our business. *Engala thaandi indha business poganum* (So, this business should grow beyond us).” **BT**

@SaysVidya



Changing Priorities for the CEO

The focus is on making organisations outcome-oriented by bringing together differentiating capabilities and multidimensional skill sets

BY VIVEK PRASAD, PARTNER AND MARKETS LEADER, PwC INDIA

P

PWC'S 25TH ANNUAL Global CEO Survey, launched on January 17 this year, underlines a direct correlation between customer experience and the top line. Unhappy customers today not only make for a source of learning but also, as the pandemic has made evident, impact revenue and brand. This has put the spotlight on the customer, not the brand.

Of the India CEOs polled for the survey, 81 per cent included customer satisfaction metrics in their company's long-term corporate strategy, while 78 per cent and 75 per cent considered automation and digitisation goals, and employee engagement metrics, respectively. These non-financial outcomes are intertwined with day-to-day business performance. Much less well-represented, in strategies and compensation, are targets related to greenhouse gas emissions and workforce gender representation or racial and ethnic diversity. This indicates that despite the rising interest in ESG (environmental, social, and governance) globally, strategy is still primarily driven by business metrics, and not so much by social and environmental outcomes.



ILLUSTRATION BY RAJ VERMA

The survey findings also show that CEOs are increasingly focussed on building trust in this changing paradigm. The Union Budget 2022, too, with its focus on inclusive development, productivity enhancement, energy transition and climate change shows the government's commitment to factor in trust as it prepares the blueprint for a fit-for-future India.

This is in alignment with what is top of mind for CEOs. The PwC CEO Survey shows that CEOs with greater trust are more confident and more likely to lead organisations that have made a net-zero commitment.

This indirectly suggests a correlation between trust and the ability to drive change amid the demand-supply revolution. On the demand side,

customers are spoilt for choices and have ample insights into the quality of the choices. On the supply side, the creation of value is now contingent on building scale in capabilities by enabling ecosystem play. Therefore, stakeholder value rather than shareholder value, coupled with delivering sustained outcomes, is the top priority for resilient businesses.

Given this scenario characterised by a shift to “virtual everything” and set against the backdrop of the growth-boosting Union Budget for 2022-23 presented on February 1, priorities for the CEOs are changing. The capex-heavy Budget led by public investment will perhaps spur CEOs to play a more powerful role in accelerating the nation-building agenda. As CEOs look to transform the fundamental model of value creation, the following priorities can help them navigate the future of work:

Resetting the Conversation

It is important to focus on making organisations outcome-oriented by creating value via ecosystems that bring together differentiating capabilities and multidimensional skill sets. The corporate strategy also needs to factor in environmental priorities that the Budget also underlines to win stakeholder trust and contribute towards a greener tomorrow. Climate-related actions, clean energy transition, and circular economy with innovative financing models need to be prioritised along with measures to handle possible risks around cyber security that may come in the way of sustained outcomes.

Recalibrating Skills

With rapid digitisation and a shift from a virtual world to a hybrid world of work, rethinking the composition of the workforce, leveraging the gig economy, and tapping into potential talent from Tier II and Tier III cities may help move the needle on organisational growth. While the Budget focusses on institutional capacity building for job creation and skill development, CEOs,

too, need to establish top teams based on the right skills mix to propel the fit-for-future transformation in response to today's demands.

Reappraising Succession

CEOs also need to focus on building the foundation for succession planning, and nurture a culture of inclusive growth that ensures business continuity and the resilience of a company. It is time for leaders to disrupt themselves and their approach, and proactively invest not only in upskilling the workforce but also in leadership capability development so that they are geared to act with a ‘think global, act local’ mindset.

Rethinking Incentives

Building trust and transparency, as the CEO Survey indicates, is also about balancing business and societal outcomes—interlocking incentives with net-zero commitments and non-financial outcomes. This demands a reinvention of the social contract with one's people, placing them at the centre of the entire value creation model and equipping them to lead, drive and own the transformation agenda that combines business and ESG metrics.

For CEOs today, disruption has been a source of learning that has paved the way to lead by further disruption. To propel organisational growth, this is now a compulsion rather than a choice

Reimagining Collaboration

With people at the centre, collaboration assumes much significance to reposition one's company by redefining not only the problems but also the differentiating capabilities required to solve them. Adopting a “whole of society” approach involving business leaders, government officials, policymakers, investors and NGOs is

the way forward to deliver sustained outcomes driven by human-led tech enablement. This again is aligned with the Budget and its measures such as drones for agriculture and digitised land records, AI-based geospatial analysis, open-source platforms for digital health and chip-based e-passports for inclusive and equitable growth in a digital India.

Reinventing Supply Chains

2021, often labelled as the year of the supply chain, has also shown the need to build segmented supply chains to service the shift in consumer expectations across new channel models such as direct-to-consumer and e-commerce. For this, it is important to understand the true wants and needs of customers for gaining privileged insights to enhance the value created. This in turn strengthens the foundation of trust and purpose with a laser focus on data and technology strategy to fuel sustained value creation.

For CEOs today, disruption has been a source of learning that has paved the way to lead by further disruption. To propel organisational growth, this is now a compulsion rather than a choice. Revisiting pri-

orities and realigning commitments could help them to not only stay the course but also secure the collective future of the whole of society. **BT**

(References: PwC's 25th Global Annual CEO Survey, India perspective and Beyond Digital: How great leaders transform their organisations and shape the future)

HOW WE DID IT

The methodology behind the *BT*-PwC India's Best CEOs ranking

By **Rahul Oberoi**

PHOTO BY MANDAR DEODHAR

116 |

► *BT*'s Best CEOs ranking is in its 10th year, with PwC India as knowledge support partner. The methodology takes into account both quantitative performances as well as qualitative aspects. First, a series of checks and filters were applied to the universe, the *BT*500 ranking of India's Most Valuable Companies (by average market capitalisation of a year). Only companies with revenues of more than ₹1,000 crore were considered. The study period was FY19, FY20 and FY21, and firms with accounting periods of 9-15 months in these periods made it. Those whose latest audited financial year results were not available were dropped, as were those which posted a net loss in any of these fiscals. Those which made their debut on the bourses in this period weren't considered. To qualify for the rankings, CEOs (or executive heads) had to be in the job for the full study period. In the case of PSUs, the period was at least one fiscal. A total of 237 companies made the cut.

Then, growth in total income, profit before interest and tax (PBIT) and total shareholder returns (TSR) were considered, that too for only standalone results. Firms were assigned a score on the average of year-on-year absolute change and three-year CAGR in total income and PBIT. For BFSI firms, profit before tax was considered in place of PBIT, and geometric CAGR for non-performing assets (NPA) was added. TSR was calculated taking into account the net price change plus dividends. Thereafter, scores were given to all these parameters, and then added up to get the overall ranking.

Thereafter, the firms were split into four categories:



(From left) Amish Mehta, P.S. Jayakumar, Amit Tandon, Sourav Majumdar, Vivek Prasad and Haigreave Khaitan

Venue Courtesy: The Quorum, Mumbai

Super Large (total income of more than ₹1 lakh crore); Large (₹50,000-1 lakh crore); Mid-sized (₹10,000-50,000 crore); and Emerging (₹1,000-10,000 crore). They were also split into 16 sectors. PwC India reviewed and validated the process. The names of the top three CEOs in each group—overall and sector-wise—were placed before the jury. The final winners that you see in this edition were all chosen by the jury comprising P.S. Jayakumar, former CEO, Bank of Baroda, and former country head (consumer banking), Citibank; Amish Mehta, MD and CEO, CRISIL; Haigreave Khaitan, Partner (mergers and acquisitions, private equity, estate planning, trusts and private client), Khaitan & Co; and Amit Tandon, Founder and MD, Institutional Investor Advisory Services India Limited (IIAS). Sourav Majumdar, Editor, *Business Today* and Vivek Prasad, Partner and Markets Leader, PwC India, provided knowledge support and perspective, but did not vote.

Data for the entire exercise was sourced from corporate database ACE Equity. **BT**

@iamrahuloberoi

TOPRANKERS -

INDIA'S MOST TRUSTED PLATFORM FOR CAREERS BEYOND MEDICAL & ENGINEERING



Gaurav Goel

Founder & CEO, Toprankers

Reminiscing our childhood days, most of us could recollect this question posed to us one way or the other, "What would you like to become when you grow up?" And We'd generally answer Engineer, Teacher, Doctor or something known to all. Rarely did anyone say Judge, Lawyer, Entrepreneur, Architect, and even when we said it, there has been little to no knowledge of how does one cracks these careers? Solving this problem for us is, TopRankers.

Founded by Gaurav Goel in 2015, TopRankers is giving students clarity on lucrative career options which are best suited to their interests and also helping them to attain them through its adaptive learning platform.

Gaurav has been working closely within the Education industry for over 11 years. Following the trend and making a career beyond Engineering, Gaurav completed his Master's from Stanford University's Seed Transformation Program. TopRankers is the 1st organization to build its own live streaming educational platform in India.

"With over 5 million registered users on the platform, we have been able to grow our annual revenues three times, bagging a position amongst the very few profitable Edtech startups of India.

Today for 1 of our brands Legaledge, every 3rd student who cracks the law entrance exam - CLAT is a Topranker", says Gaurav.

Gaurav is accompanied by a strong leadership team with 2 highly accomplished co-founders, Harsh Gagrani and Karan Mehta. Together they believe they are set to change the way India chooses their profession, with more people opting in for careers beyond medical & engineering.

Globally, the education sector has faced a massive change in how we study and learn. With the Pandemic being the key trigger for India, TopRankers with its house of brands has committed to students' holistic growth with its offering mix - both via online classes & through physical centers.

For a country 70 years old, Indians have always preferred the careers Medical & Engineering and for TopRankers to envision a platform for careers beyond medical & engineering, it's been a tough ride. Gaurav with his team is set to transform the main pool of career options. TopRankers is set to become a bridge over which learners can cross from the unknown to the known.

TopRankers offers 4 brands for careers in Law, Judiciary, Management, Design

& Architecture, which are namely LegalEdge, Supergrads, Judiciary Gold, and Creative Edge.

A noteworthy quote about Leadership by Robin S. Sharma is, "A leadership culture is one where everyone thinks like an owner, a CEO or a managing director. It's one where everyone is entrepreneurial and proactive." A low attrition rate in a 250+ workforce of a bootstrapped yet profitable edtech company in today's aggressive edtech market, topped with a 70% remote workforce and outstanding students results, the company's success is reflective of Gaurav's leadership.

"We envision TopRankers to be synonymous with the most reliable career prep platform for students seeking careers beyond engineering and medicine," says Gaurav. He aims to continue to be influential and produce the best educational outcomes for the students.

Gaurav firmly believes in "United we stand, Divided we fall" and accredits the company's culture and the team's hard work for the milestones TopRankers have achieved.



‘We want to be among the **top three players** in every category’

Anil Rai Gupta, Chairman and Managing Director of Havells India, explains his growth strategy for the company and why he is hopeful of a revival

PHOTOS BY YASIR IQBAL

118 |



S

ince taking charge of Havells India in 2014, Anil Rai Gupta, 52, has not only doubled the

size of the electrical equipment company, but has also expanded its portfolio into newer markets like consumer durables. The Chairman and Managing Director, in an interview with *Business Today's* **Arnab Dutta, explains how he is planning to grow Havells by going deeper into the hinterlands, expanding manufacturing into components, and scaling back the overseas business. Edited excerpts:**

Q: How has the recovery been since the second wave of Covid-19? Was the impact of the lockdowns any different than in 2020?

A: Overall, the business scenario looks positive now. Since the second wave, business activity has improved and is now in a much better state. After the lockdowns in mid-2021, positive momentum continued even up to Diwali (early-November). Since then, the markets have slowed a bit, but that's temporary; it hasn't impacted business much. Though the euphoria is not at the same level as it was before Diwali, overall the mood is better.

During the second wave, unlike in 2020, there wasn't a complete lockdown. So plants were rolling and so were sales. While we didn't witness pent-up demand after the lockdowns were lifted in mid-2021, sales were better.

Q: After the first wave, you expected a slow recovery in the B2B segment, while the B2C business bounced back. Has the scenario changed?

A: After the lockdowns in 2020, we witnessed a good recovery in the B2C segment. As people were spending more time inside, they refurbished their homes and bought better appliances, which aided demand recovery. The initial pent-up demand held on because demand for residential real estate jumped. But in 2021, we observed a recovery in the B2B segment too. Government spending has improved, [the] capex cycle has come back and

real estate, which is the B2B segment for us, is recording further growth. Since the second wave, the recovery in the B2B segment has been better... We are witnessing better demand in the B2B segment after a very long time. There are three key factors [for this]: First, the real estate market has bounced back, which did not happen probably in the past 10 years. Second, as consumer demand bounced back in 2020, capital expenditure began taking place. And finally, increase in government spending, especially in large-scale infrastructure projects. All these helped in the B2B demand recovery.

Q: How is inflation impacting the business and the overall consumption pattern?

A: I think inflation is too high, which can affect demand in the medium term but generally things are in better shape than earlier. There is tremendous pressure—at least in our industry—due to a steep rise in the prices of key raw materials. Commodities like copper, aluminium, steel and plastics, apart from electronics items, have got dearer. As crude prices surged, the cost of plastics went up; electronics prices shot up due to [a] shortage. Due to huge demand uptick post-Covid-19 and excessive supply of money, prices of key metals went up. That has necessitated price increases.

This kind of inflation leads to [a] slowdown in demand as consumers tend to postpone purchases. However, the market is still growing. It indicates that

“I think inflation is too high, which can affect demand in the medium term, but generally things are in better shape than earlier. There is tremendous pressure due to a steep rise in prices of key raw materials”

there is a strong recovery—both in the real estate sector and also in the capex cycle. While recovery in the real estate sector is visible, the capex cycle has started to turn around. So, I think, if... let's say in the medium term, raw material prices stabilise and/or come down... then there is a robust demand cycle waiting. I am banking on this revival because in spite of prices

going up significantly, demand is still holding up. This keeps me optimistic.

Q: Given the high levels of inflation all around putting stress on household budgets, are margins under threat?

A: The cost of raw materials is at an all-time high. And yes, you can't expect the consumers to absorb the entire hike in input costs... There is a balance that we have to strike between growth and margins. I think it is a great opportunity for the country to stay on the path of growth. So, safeguarding margins through higher efficiency would be important. By the time [the] pressure eases, margins will improve. But yes, in the short term, margins will be under pressure.

Q: Don't you think that the unprecedented levels of inflation may also impact overall demand and, thus, slow the growth momentum?

A: Hopefully not, because we have witnessed some signs of cooling off in raw material prices... I hope that trend will continue and this [inflation] is temporary.

120 |

Q: While large enterprises and the overall organised sector is growing at a relatively decent pace after the pandemic, many households have been tackling crises like unemployment and lower income levels....

A: Yes, the organised sector is doing well. Income levels for people in the organised sector are getting better and thus helping the demand. Unfortunately, what has been affected the most is the unorganised sector. It will take more time to make a comeback. Further, players in certain industries like entertainment or hospitality—organised or unorganised—continue to be impacted. This is taking a toll on employment and thus, on demand. Hopefully, with the pandemic now slowing, it should recover within the next two years.

Q: What factors could drive the industry in the long run?

A: In the past few years, the digital wave that has taken place, especially in the rural areas, is changing the landscape. There are a few important aspects of this. First, the products are becoming more digitised and connected. We are getting closer to the consumer. This trend will continue for the next 10 years, when more chips and IT components will be incorporated into consumer products. Second, the consumer is also coming closer to the brands due to digital commerce. Some 5-10 years ago, the whole scheme of things—like for the FMCG industry—was dependent on distribution penetration. Today, the horizon—whether through traditional distribution



“Local manufacturing has gained significant importance. Ten years ago, industry players would have been happy to visit China, source products in bulk and [sell under] their brand... Now, [local] manufacturing plays a bigger role”

channels or e-commerce—has expanded. The key factor is to make sure that the customer is interacting with the brand and you are able to service the customers' needs in a much faster and convenient way. So, technology, availability and omni-presence are going to be the driving forces.

Local manufacturing [too] has gained significant importance. Ten years ago, the industry players would have been happy to visit China, source products in bulk and [sell them under] their brand... Now, [domestic] manufacturing plays a bigger role... The government's constant push for 'Make in India' and 'Aatmanirbhar Bharat' has led to this change. We are seeing more investments going into manufacturing, at least in our industry. And [then there] is innovation. Overall, these are the pillars that are set to drive growth for the next 5-10 years.

Q: How has the business environment changed over the past 5-10 years? Has it become more competitive?

A: It's changing at a much faster pace and companies which are able to transform and are nimble are going to be successful. For example, the way to reach the consumer: five years ago, traditional media like television and print were mainstream. It was very obvious; you could have applied the things that you learnt at B-school. But now things are changing on a daily basis. Almost 35-40 per cent of the media spends are now on digital. Since things are changing rapidly, the business is becoming more tough and complicated. Long term plans, long-term visions... those are becoming passé. Now you are constantly on the move.

Q: What is the long-term impact of the pandemic, apart from accelerating digitisation?

A: Apart from digitisation, the pandemic has changed the consumer in many ways. The consumer is looking for more convenience and localisation. The consumer was always the king, but post-pandemic, their stature has grown further. Now companies need to be directly connected with the consumer. Just look at the television industry. When DTH (direct-to-home) service came, it weeded out the conventional TV ecosystem. Now they are also under stress. OTT ser-

ON INFLATION

This kind of inflation leads to a slowdown in demand as consumers tend to postpone purchases. But the market is still growing. It indicates that there is a strong recovery—both in the real estate sector and also in the capex cycle.

ON INVESTMENT PLANS

Every year, we invest ₹400-500 crore on an average to enhance manufacturing. Additionally, we are investing in R&D. All products we manufacture are developed in-house.

ON FACTORS THAT COULD DRIVE THE INDUSTRY

Technology, availability and omni-presence... [then] local manufacturing and innovation.

ON THE CABLES BUSINESS

If 20 years ago the market was 90 per cent unorganised, it has come down to 40-50 per cent. Consumers want to buy from trusted brands so that they don't have to bother about the quality of the product.

vices are now becoming mainstream, where people can choose what content they want to consume and when. So, consumer behaviour has changed as they are now demanding much more. And I think that is going to drive transformation in the coming days for our industry, the products that you offer and the mode of reaching out. The pandemic has accelerated this process.

Q: What are your investment plans? Will you avail the PLI scheme?

A: Havells has always invested heavily to build manufacturing capability. Today, 95 per cent of what we sell is made locally. When we acquired Lloyd [in 2017], we set up one of the most integrated air conditioner (AC) facilities here... Every year, we invest ₹400-500 crore on an average to enhance manufacturing, which is by far of global standards. Additionally, we are investing in R&D. All the products we manufacture... are developed in-house.

We have applied under the PLI scheme to manufacture AC components. We've invested some ₹400 crore in setting up a facility for ACs. Now we are pushing for further backward integration towards components.

Q: Soon after you took over, Havells sold off its international business. Why was that?

A: When we acquired the Sylvania lighting business, it was a good way of getting into the global markets. But by 2014 we realised that the developed markets in Europe and the Americas, especially after the global financial crisis, were sluggish, while India presented a good growth opportunity. So we decided to divest the business and move out of the developed markets—for two reasons: One, those were very slow-growing markets and two, the entire lighting industry was going through a massive transition—from traditional to LED technology. And we had a very high-cost manufacturing setup there. We had already put in a lot of time and effort but hadn't seen enough growth.

Thus, it was pragmatic to focus on the then growing market, that is India, and look at other adjacencies—where we could reach the consumers who were closer—much faster and in a much better way. That was the change in strategy.

Q: What is the strategy now? How much is the share of the overseas business?

A: When we had Sylvania, about 40 per cent of our business came from the international markets. Now it is about 5 per cent. In the past three years, the focus has changed to recalibrating the efforts in international markets and in expanding our brands into markets like the Middle-East and Africa. Further, expanding the distribution and product range in these markets is in the works. By 2025, we want to grow the share of overseas business to 10 per cent.

Q: Letting go of 40 per cent of your revenues at that time was a bold step...

A: Yeah, sometimes you have to take those big decisions which eventually become the turning point for the company. What happened was that the entire focus shifted.... all the dollars that were needed to be spent on innovation, branding, distribution, R&D, manufacturing, everything was diverted to one geography. Ever since then, we've actually doubled our size, in spite of sacrificing 40 per cent of our business.

122 | **Q: Apart from the divestment and shift in focus towards the domestic market, what was the broad change in strategy you brought in?**

A: A lot many things like innovation, market share expansion and premiumisation were in continuation. The plan was to make the company future-ready and invite new talent. Using innovation is a sure-shot bet to acquire new customers. So, we intensified our efforts in R&D and digitisation.

Q: What will be your winning strategy in the highly competitive durables market in India?

A: The penetration level of home appliances in India is very low. With the ongoing electrification of villages, there lies a huge opportunity for growth. Players which have the capability to continue investing in the market will survive. Apart from long-term investments in brand-building and distribution, innovation will be our key differentiator. In the next three years, we will go deeper into the market. The demand for electronics and appliances is to get a boost in the rural market. Our goal is to ensure the presence and availability of our products.

We cater to a large gamut of customers, including B2B. In the past five years, we have made our presence felt in every channel. In FY23, we will cover 2,800 additional towns with population of 10,000-50,000. Then, we will add product categories. Currently, we sell only certain electrical products in the smaller markets and not white goods. At present, primarily the FMCG companies have an organised distribution channel in these markets. But we are building our own channel



“The penetration level of home appliances in India is very low. With the ongoing electrification of villages, there lies a huge opportunity for growth. Players which have the capability to continue investing in the market will survive”

and once that's stable, we will keep adding products. Our aim is to be one of the top three players in every category we are present in.

Q: The cables business is your largest revenue generator. But the market is dominated by unorganised players. How do you stay relevant?

A: Yes, the market is highly unorganised. But informed buyers such as large industrial clients and commercial real estate players only buy from the prominent brands. The awareness levels among retail consumers are growing fast. If 20 years ago the market was 90 per cent unorganised, now that share has come down to 40-50 per cent. Consumers now want to buy from trusted brands so that they don't have to bother about the quality of the product. This is driving the share of the organised segment and will help boost our growth. **BT**

@arndutt

Mr. Rajiv Arora: CEO, Nationwide Immigration services

I am a lawyer & an Immigration specialist, with 10+ years of profound experience in the field of Immigration. I feel blessed to have captivating intensity for my passion. I work for values, not for the valuables. In my opinion, inspiration and consistency are two important pillars of successful business. As an entrepreneur, I have always had an active approach towards work, and my passion towards the field of immigration has led me to this position.

I started Nationwide Immigration Services with a team of 7 people. And today, we serve at multiple branches and locations in India. Team building was my biggest passion as a leader, I have always thought of my team members before I put forward anything else. I trained them on values and teamwork which brought a huge amount of success for us as an organisation. My motto for the company is to provide each and every employee a fair chance to grow, timely salaries and stability in their careers.

We are into business since 2007 but Nationwide Immigration Services Pvt. Ltd. as a company was established in 2013 and has been standing tall on the pillars of collective growth, strong business ethics and wilful consistency.

Nationwide Visas has carved out a niche in the immigration business by supporting clients in realising their ambition of settling overseas. We have also earned a reputation for having a high acceptance rate for immigration applications, and have successfully handled over 25,000 visa applications to date.

Canada immigration has particularly been a grail of Nationwide Visas. We've been awarded multiple times and we are recognised for being Canada PR masters all over India.

Many Bollywood celebrities have availed our services and team of immigration experts at Nationwide help clients with all their expertise in the immigration process for Canada PR Visas, Express Entry, PNP, Business Investor Visas,

Study Visas, Work Permits, and other Canada visa categories.

As a brand, Nationwide Visas has always been working for the growth of not only the company, but of our employees too. If I talk about clients, we are not only a service centric organisation, we are also a success centric organisation for our clients as well as our reputed employees.

I see this as a mantra of sustaining a long-term successful business. The most rewarding moments of my life have been the realisation of being an inspiration to my employees. They personally grew in their lives and have been doing great in their careers.

I feel immense happiness and content when my clients' aspirations are being fulfilled by immigrating to settle in their dream country. A delighted client and his success through my company and services is the biggest motivating factor in my life and it gives me additional strength to grow as a founding member of this organisation.

The new-age immigration era is expanding beyond traditional boundaries and assisting the masses in realising their ambitions, recognizing the need for qualified and formal consultants. The vision of the company is not only to reach on a pan-India level, but to touch the small cities of India and help people understand their dreams in order to choose the best routes of immigration for their career and overall quality of life and education.

We bring transparency for education in the public so that people can make the right decisions while selecting an immigration consultant for themselves.

I have always engaged myself enthusiastically in organizing and dynamically motivating groups of people to achieve common objectives. I

 **Nationwide Visas**
Making Dreams Possible...

**MESSAGE
FROM THE CEO**



Rajiv Arora

CEO, Nationwide Immigration Services

**“ We work for
Values, not the
“valuables” ”**

- Rajiv Arora

am strongly driven to succeed and overcome obstacles. I constantly reinvent myself in different ways to improvise in my business ventures. I believe in having a never give up approach in my life and I inspire people around me with the high energy and unattainable levels of motivation. For us, working as a team and bouncing back in every tough time is the key to building a high performance company on the whole.

As a founder and CEO of Nationwide Immigration Services Pvt Ltd, I aim to create jobs all over India for the youth as well as for the talented generations. Creating more jobs help develop the Nation and brings prosperity collectively.

By working for my organisation and contributing towards my country as an entrepreneur, I want to inspire young generation to do better in their lives. They must progress in their fields and gradually learn to grow with the organisation. I would like to say that great companies are made with great mindsets. We have seen people loving their country but most of them make one fundamental mistake in expressing only their love towards it, which is not enough. Perhaps, loving your work/company, while loving your country is a better notion because a company continuously and directly gives everything to the employees including salaries, learnings, growth and stability in life. Eventually, the one who doesn't love their work, won't be able to succeed in their lives.

If we want to be a leader we must work hard in our respective fields. We must be passionate and focused and work with our heart and soul. If the entire Nation tries to imbibe this concept, India will be able to progress faster.

I, Rajiv Arora & Nationwide Immigration Services, wishes the best to all the readers.

WALTZ Disney

IT TAKES TWO TO TANGO, ESPECIALLY IN A MARKET LIKE INDIA, AND DISNEY KNOWS IT WELL. WITH THE ACQUISITION OF STAR INDIA, IT IS READY TO GET A LARGER CHUNK OF THE BROADCASTING AND OTT PIE. BUT WILL IT BE A PERFECT DANCE?

BY KRISHNA GOPALAN

ILLUSTRATIONS BY NILANJAN DAS

DRESSED IN A BLUE POLO SHIRT,

a smiling K. Madhavan takes his time before answering a question. The words are chosen carefully and one has to constantly look for those little nuggets. In the world of media and entertainment, he is one of the most low-profile individuals, though his business is anything but that. As Country Manager & President of Disney Star, he oversees a network of 73 channels across Hindi, English and regional. In terms of genres, it has sports, infotainment, kids, music and movies. The company (then owned by Rupert Murdoch) entered India in the early 1990s to serve an audience that had never seen satellite television. Its English content, for many years, did not strike the right chord here. After almost a decade of no success, it was all set to say goodbye before it gave it one last shot. A change of strategy to have more Hindi content led by *Kaun Banega Crorepati* with Amitabh Bachchan as host and a clutch of soap operas swung it in the most remarkable way. Today, it is the largest media and entertainment network with revenues of over ₹12,000 crore in FY21 (a pandemic-hit year) and a net profit of ₹1,395 crore.





Advantage Disney Star

Disney Star leads the broadcasting game and has a strong OTT offering

HOTSTAR

has seen revenues surge on the back of the IPL and other major cricketing tournaments of ICC and BCCI

FOR DISNEY

the acquisition of Star gives it a third shot in India. Its earlier attempts in 1993 and in 2004 did not work out

THE RIGHTS

to the IPL are with Disney Star till 2022 and the company is expected to be aggressive in the upcoming round of bidding

DISNEY STAR

is the clear market leader in broadcasting followed by Zee, Sony and Viacom

DISNEY+, THE

streaming service, is what drives valuations globally; that makes Hotstar, the offering in India, very attractive

A change in ownership now has The Walt Disney Company in charge. Understandably, a lot has changed and an important piece is the firm's valuation on Wall Street. Disney is a closely monitored stock and how it gets it right on new media delivery mechanisms is crucial. In that sense, it is not a story of broadcasting anymore, but comes down to how Disney performs in the OTT (or streaming) space. India is a vital cog in Disney's wheel and increasing OTT subscriber numbers is the name of the game today. Within that lies cricket, the sport Indians can't seem to have enough of. Madhavan is in the thick of making huge strategic

decisions over the next few months, which could determine Disney's road map in India for many years.

BURBANK-HEADQUARTERED Disney is a giant in the world of entertainment but India, for a long time, had been a story of misses. It took its baby steps in 1993 through a joint venture with the K.K. Modi Group to create Buena Vista Television, with an intention to launch three channels. That never took off and operations were largely limited to doing advertising sales for other networks. By 2001, the two partners were at loggerheads over

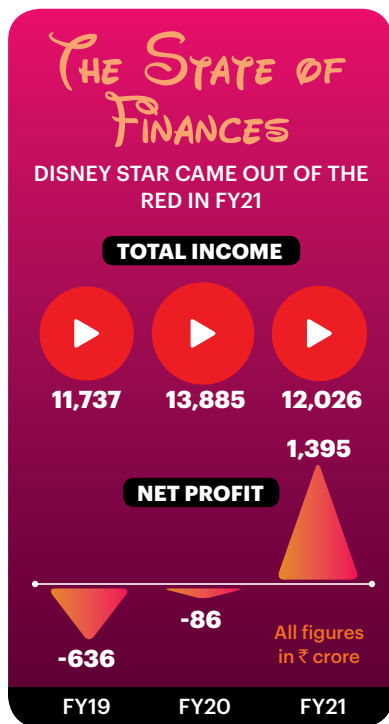
DISNEY STAR

Disney's plan to launch a 100 per cent subsidiary. It was only after the expiry of the joint venture that Disney managed to strike out on its own, and at the end of 2004, launched two kids' channels—Toon Disney and Disney Channel.

Revenue from Indian broadcasting was then dominated by general entertainment and in the next few years, cricket would also take off. In this backdrop, Disney picked up a minority holding in UTV Software, then owned by Ronnie Screwvala, before a complete buyout followed. Now, it had a presence not just in television but also film production, consumer products and interactive. There was a rub, though. This acquisition was not just expensive but hampered by Disney's limited understanding of the Indian film industry. The company was deep in the red for many years and this second innings was a non-starter. Without mass entertainment, the broadcasting bit also had no scale.

Then in June 2018, Disney acquired Murdoch's 21st Century Fox, which, among other businesses, gave it Star India. Of the total deal size of \$71 billion, the value assigned to the Indian part was \$14-16 billion. This came from Star having won the broadcasting rights for the Indian Premier League (IPL) in September 2017 for five years. The outgo was ₹16,348 crore (\$2.55 billion) for this tournament, but then it was cricket—India's most popular sport. The question was how would the new owner view this investment and what lay ahead?

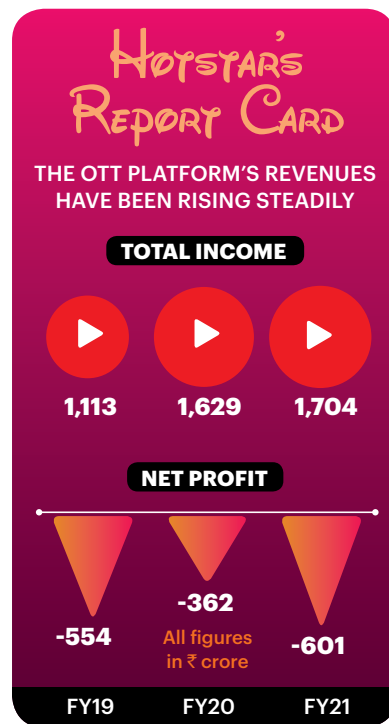
Now, the well-established view is about Disney being conservative and extremely driven by numbers. A project with a high risk quotient will necessarily need to demonstrate a clear path to profitability. That said, Disney had little option but to take the expensive route to



Note: These are standalone numbers and do not include Hotstar's financials
Source: RoC



Graphics by
TANMOY CHAKRABORTY



Hotstar is a brand owned by Novi Digital Entertainment, a subsidiary of Disney Star; Source: RoC

| 127

get a foothold in India or just abandon the idea. In contrast, Star under the Murdoch family had been more entrepreneurial with a greater appetite for risk; in the case of the IPL, it paid 2x more than incumbent Sony for half the period (Sony owned it for 10 years).

Madhavan, who had a long stint at Star and now works under a new owner, says both organisations have their individual styles. "We have picked up what works well and topped it up with our own experience of India. The transition has been smooth and this is a high-priority market for Disney," he says. With his background in finance (he was a banker till he joined the struggling Asianet in 1999 to turn it around before Star bought over most of it), his stint has seen Disney Star return to the black. Madhavan believes television and OTT offer immense potential. "Only 60 per cent of households have been



"Once 5G comes in, it can open up new features on multiple streams. We will have an audience who will start from 5G and that is a huge opportunity"

SUNIL RAYAN
Head of Disney+ Hotstar India

covered in the television story. For OTT, there is a total paid subscriber base of 50 million and another 300 million that are driven by advertising. On a compounded basis, it can grow by 30 per cent over the next five years," he outlines.

"Disney was never a strong contender in either broadcasting or OTT prior to the acquisition of Star. This deal directly catapulted them to the top position in both segments," points out Vivek Menon, Co-founder, NV Capital, a media and entertainment credit fund. With a growing subscriber base in OTT, there is no question of ignoring India. "Disney will continue to invest here to maintain that dominance. Globally, this is one of the biggest markets for Disney+ [the streaming service it launched in 2019]."

While Disney+ was launched from scratch in other markets, it had Hotstar, a ready-made platform, in India. According to Balu Nayar, for-



“The core cricket fan wasn’t interested in [the IPL in 2017]... We had to reposition it and say this was genuinely competitive cricket with heroes and rivalries”

SANJOG GUPTA
Head of Sports,
Disney Star

mer MD of IMG India and a key architect of the IPL, Disney can make a significant difference to Hotstar’s content library. “It can easily rival Netflix and Amazon Prime Video on western content, plus there is a powerful appeal for children. In terms of focus, Disney could well invest hugely in building Hotstar, perhaps de-emphasising some traditional television in the process,” he says.

THE NETWORK, too, has managed to adapt smartly to the changing times. Shailesh Kapoor, Founder and CEO of consulting firm Ormax India, says leadership for the network, for a long time, centred around its flagship channel, Star Plus. “Today, it

has three pillars—Star Plus, cricket and Hotstar. It is a more diversified portfolio not just in terms of revenue but having a strong positioning as well,” he explains. Broad estimates suggest Star Plus makes ₹1,500 crore each year through advertising (rivals Sony Entertainment Television and Zee TV make around ₹1,000 crore each) in a very difficult market.

Kevin Vaz, Head of Network Entertainment Channels, Disney Star, admits the model has changed. “Now, it is about differentiated content that leads to wholesome entertainment for the family. If you think non-fiction and film shows, it won’t work,” he says. To him, understanding the nuance of each market was what a lot of time went into—romance in Marathi and humour in Telugu being examples. “Today, content has to resonate with the preference of the changing viewer.”

With a wider spread, the entity has more firepower. “It derives strength from the three pillars. Just look at sports and 70-80 per cent of cricket rights that matter is with it,” explains Kapoor. There was a time when it did not have the IPL, BCCI or ICC rights. Now, all three rest with the network.

In many ways, the IPL has really been a revelation. In 2017, the last year when Sony had the broadcasting rights, it raked in television advertising revenue of ₹1,300 crore. Digital was still in its infancy and the then Star, the owner of just that part, is estimated to have made ₹100 crore. Jump to 2021, when Star, reveal industry officials, made ₹2,400 crore through television advertising and another ₹600 crore through Hotstar. Of course, none of this includes subscription revenue and the consensus on the street is that the IPL has worked out well for the network. “There were a lot of people who said what we paid was on the

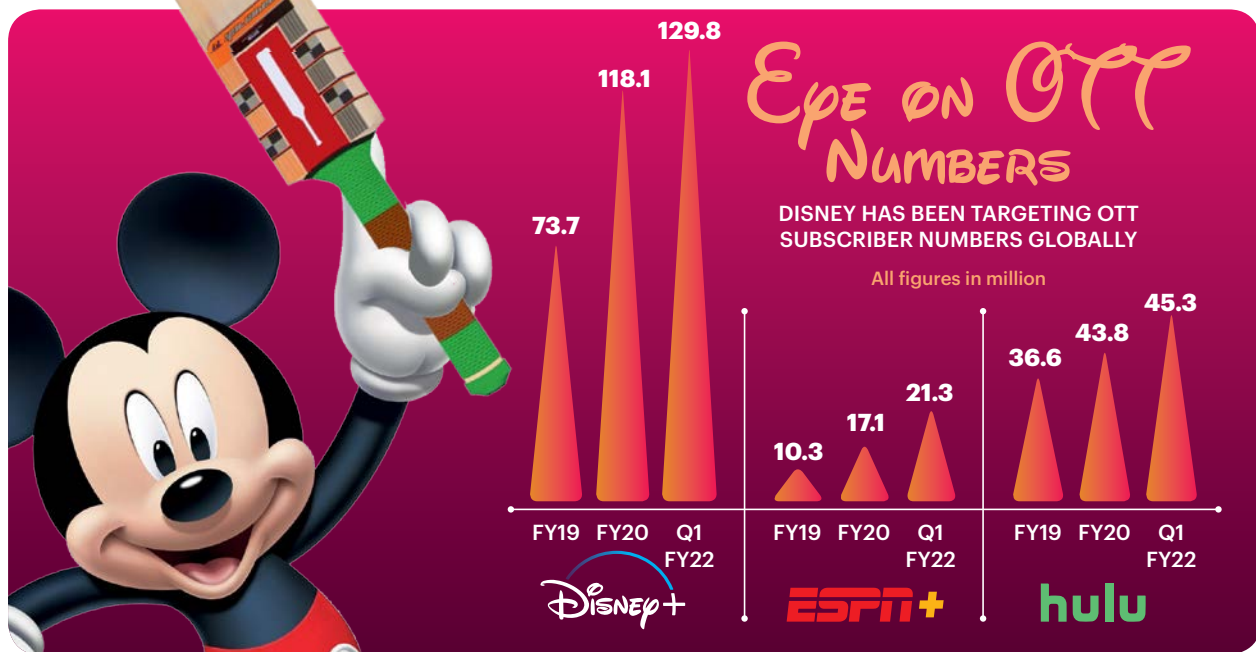
higher side. But we were and are still convinced that cricket is a part of our long-term strategy,” maintains Madhavan.

His team spared no effort in ensuring the IPL made sound business sense. According to Sanjog Gupta, Disney Star’s Head of Sports, viewership had flattened when Star acquired the IPL rights. “The core cricket fan was not really interested in it and to him, it was merely entertainment. We had to reposition it and say this was genuinely competitive cricket with heroes and rivalries,” he says. To him, sports is a great audience unifier and the IPL presented the perfect opportunity. “For instance, we took the regional



“Now, it is about differentiated content that leads to wholesome entertainment for the family. If you think non-fiction and film shows, it won’t work”

KEVIN VAZ
Head of Network
Entertainment Channels,
Disney Star



Note: Disney+ includes Hotstar; Disney+ was launched in November 2019; Source: Disney earnings report

strategy and made a big impact in the markets down south. Everything was done to bring family viewership and that worked well.”

To Menon, the options on the table are clear. “Disney cannot afford to lose the big-ticket cricket rights (IPL, ICC and BCCI). It will bid aggressively for all as losing them means a serious dent to the subscriber base,” he says. The logic is simple: valuations will be determined by the number of paid subscribers (rather, how many of them are on OTT). Menon emphasises how Netflix lost a quarter of its value on the back of a drop in subscriber base. “Disney is very well aware of this and will do anything to retain the top position.” Just the bids for the IPL broadcasting rights could go up to ₹30,000 crore.

While Disney officials do not want to give out a number, the thinking comes through quite clearly. Sunil Rayan, Head of Disney+ Hotstar India, says these are early days for streaming in India. “We still need the viewer to come in and sample it. Once 5G comes in, it can open up new features

on multiple streams. We will have an audience who will actually start from 5G and that is a huge opportunity.”

THERE WAS a high level of anticipation on February 9 this year among the investors of The Walt Disney Company.

Its numbers for the first quarter were to be announced. All eyes were on the company’s OTT business. The preceding quarter saw the subscriber base of the Disney+ platform increase by just 2.1 million and the stock was quickly down 4 per cent.

From a time when revenues and profitability determined the stock price, it now came down to just the subscriber numbers from streaming. The view is, with the business being in investment mode, garnering subscriber numbers is a priority. The investors weren’t disappointed. Disney added 11.8 million new subscribers, though analysts expected it to at best add 7 million. The total base stood at 129.8 million, with Hotstar (primarily led by India with other markets being

Indonesia, Malaysia and Thailand) alone at 45.9 million, an increase of 2.6 million. Importantly, this comprises over 35 per cent of Disney’s total subscriber base. India is estimated to have over 42 million, or almost one-third, of the total subscriber numbers. Wall Street’s investors ensured the Disney stock zoomed by over 8 per cent.

Nothing is as critical to Disney or its rivals as the number of paid subscribers on OTT. At a market capitalisation of over \$275 billion, the thrust on this number is so critical that Bob Chapek, Disney’s CEO, said the company was on track to meet its target of 230-260 million subscribers on Disney+ by 2024.

A former Hotstar executive, who worked under both Star and Disney, says the focus on the broadcasting business will be limited. “It comes down to Hotstar’s paid subscriber numbers and the need to retain them at any cost. Cricket brings in at least 80 per cent of Hotstar’s revenues. Losing the big rights will see the stock taking a hit,” says the executive who declined to be named.



PHOTO BY MANDAR DEODHAR

“For OTT, there is a total paid subscriber base of 50 million and another 300 million that are driven by advertising. On a compounded basis, it can grow by 30 per cent over the next five years”

K. MADHAVAN

Country Manager and President, Disney Star

Hotstar's subscriber numbers in India are at least 2x more than its nearest competitor, Amazon Prime Video. "None of the OTT players contributes as much to the parent's subscriber base the way Hotstar does," says Kapoor. Specifically getting to cricket, he is clear about how "the sport has been good for the network and one will be surprised if they lose the IPL bid". Besides, Hotstar, on its own, may bring forth other advantages. "The Disney content library is great and global, plus its distribution pipes cut across digital and traditional avenues. There is the opportunity too of Indian content being distributed across geographies and that puts Hotstar in a strong position against pure-play digital content players," says Shantanu Sirohi, Co-founder &

COO, Interactive Avenues, India's largest digital agency.

"For Disney, [whether it makes] revenues of ₹1,700 crore or [makes] losses is insignificant in the context of how much it drives valuation. Investors look at the subscriber base of Disney+ and how it is now a serious rival to Netflix in terms of that," says the former Hotstar executive. Nayar says there is a clear change in business models. "Traditional television is declining and bids like the IPL are no longer about driving revenue from advertising and subscription," he explains. The focus of Hotstar as well as bidders like Jio and Amazon, he says, would be to build digital assets, leading to an increase in shareholder value. "This would be the primary reason to see aggression levels this year

that we haven't seen before. The focus here is subscriber growth and that is why Hotstar is seen as a success in India despite much lower ARPU than Netflix."

The OTT subscription model is a segment Madhavan is bullish about. "We can't set a timeline but the 50-million number in India will definitely touch 500 million. Cheap access to data coupled with the 5G roll-out can change everything," he says. Given how obsessed Wall Street is with the paid subscriber model, Disney will want a very generous chunk of the pie. With his financial acumen, it is unlikely Madhavan will take his eyes off the numbers, rather Hotstar, even for a moment. **BT**

@krishnagopalan

Business
Today

Let's Tech

WITH **AAYUSH AILAWADI**

**TOMORROW'S TECH
EXPLAINED TODAY**

SATURDAY 7:30 P.M. | SUNDAY 12:30 P.M.



INDIA
TODAY

TELEVISION

**7Tech
TODAY**

The Life After...

...COULD BE
JOYFUL OR PAINFUL,
DEPENDING ON HOW
YOU MANAGE YOUR
MONEY FOR RETIRE-
MENT PLAY. HERE ARE
SOME TIPS ON HOW
TO DO IT RIGHT

BY **TEENA JAIN KAUSHAL**

ILLUSTRATION BY **RAJ VERMA**



W

HAT COMES TO YOUR MIND when you think of retirement? Vacations, spending time with loved ones, or maybe a life by the beach? Reality could be quite different though. Max Life Insurance's India Retirement Index Study reveals 9 of 10 urban Indians worry about their savings not lasting through retirement.

Why are we not able to save enough? The primary reason is

procrastination. Immediate goals such as buying a house or saving for children's education often become a priority and retirement planning ends up being put on the back-burner. Well, if you do not want to spend your golden years fearing a lack of funds later on in life, it's time to get proactive about charting out your retirement plan.

Now the question is, where to

start? It's not enough to have a vague idea. While shelling out a monthly amount is good, it might not be much to lead a self-sufficient life. Hence, the first step is to determine how much time you have before retirement and how long you expect to live post-retirement. Once you know the answer to these two, you will be in a better position to plan.

TIME IT RIGHT

You might have just started your first job or you might be in your 50s—instead of being baffled by how early or late you are, start today. The more you delay, the more aggressively you will have to save.

For example, if your age is 20 and you want a corpus of ₹5 crore at 60, you would need to save only ₹4,250 monthly for the next 40 years, assuming the rate of return of 12 per cent. However, starting at 50 will mean saving ₹2.17 lakh each month to have ₹5 crore in the next 10 years.

Starting early has its advantages as it takes the pressure off the last leg. It gives your money more time to grow, as the power of compounding can multiply it exponentially over time. If you start saving ₹4,250 per month at the age of 30, it will accumulate to only ₹1.48 crore. The 10 years of compounding can give you an edge of over ₹3 crore.

“The most common mistake investors make is not to set their quantified retirement age and corpus at an early age. They plan for their retirement after turning 35, which is not a right habit. Each investor should plan for retirement from their first job at around 22 years of age and build a long-term portfolio with the multiplier benefit of compounding. Both discussed individuals will have a significant difference in their retirement corpus, even if they invest the same amount of money, that too in the same product, due to the higher power of compounding for the additional 13 years in the second person's case,” says Amit Jain,

Chief Executive and Co-founder of Ashika Wealth Advisors.

After figuring out the number of years you have before retirement, the next step is to determine the number of years you expect to live as it helps in calculating the retirement fund you will need.

KNOW YOUR NEEDS

Another reason why people run out of funds is the fact that they tend to ignore inflation while planning their retirement. This could be

a costly mistake as calculations show that if you spend ₹12 lakh annually at the age of 50, then to meet the same expenses you will require ₹24 lakh after 10 years, assuming a 7 per cent rate of inflation.

It is important to note that inflation reduces the purchasing power of money.

This is why your grandparents are shocked when they see current vegetable and milk prices. Like many, they also might have assumed that they could continue

HOW TO CALCULATE YOUR RETIREMENT CORPUS

Current age	50
Expected age at retirement	60
Number of years left for retirement	10
Life expectancy (age at death)	85
Years after retirement	25
Current annual expenses	₹12,00,000.00
Expected annual growth percentage in expenses	7.00%
Annual expenses at retirement age (FV in Excel or formula below*)	₹23,60,581.63
Percentage of annual expenses needed after retirement	100%
Required annual expenses at retirement	₹23,60,581.63
Rate of return on retirement corpus	8.00%
Inflation rate	6.00%
Inflation adjusted rate of return #	1.89%
Retirement corpus (formula below**)	₹4,75,86,355.04
Existing retirement corpus	
Additional retirement corpus needed	₹4,75,86,355.04
Rate of return during accumulation	12%
Monthly savings required to reach corpus (PMT formula in Excel)	(₹2,06,862.40)

* FORMULA FOR FUTURE VALUE (FV) = PV(1+R)^N; (1200000 *(1+7%)^10)

#INFLATION-ADJUSTED RETURN = (1 + RETURN%) /

(1 + INFLATION%) - 1; (1+8%)/(1+6%)-1

**RETIREMENT CORPUS = P*((1-((1+G)/(1+R))^N)/(R-G)) WHERE P IS ANNUAL EXPENSES AT THE TIME OF RETIREMENT, G IS INFLATION RATE POST RETIREMENT, R IS EXPECTED RATE OF RETURN POST RETIREMENT, AND N IS YEARS AFTER RETIREMENT



“ One can mathematically arrive at the corpus needed at the time of retirement. Sometimes, one may only estimate a range rather than an absolute number

LOVAII NAVLAKHI
CHAIRMAN, ARIA



134 | **“ If you are someone who has already retired or is retiring soon, investing your money in a suitable annuity plan is the answer**

VIVEK JAIN
HEAD-INVESTMENTS,
POLICYBAZAR.COM



“ Each investor can choose a suitable product based on risk appetite and time horizon of retirement

AMIT JAIN
CEO, ASHIKA
WEALTH ADVISORS

buying the same amount of goods and services without realising their money hasn't grown the way the cost of living has.

To tackle inflation, prepare a break up of your current expenses and then map the same to a post-retirement scenario by adjusting it against inflation.

Let's work out the math.

How to decide how much corpus one may need at the time of retirement? Lovaii Navlakhi, Chairman, Association of Registered Investment Advisors (ARIA), says there are multiple factors to be considered such as the amount of regular expenditure you have on a monthly basis based on today's value, duly inflated till the start of retirement, any one-time expenditure such as holidays, gifts, replacement of a car, life expectancy, legacy one needs to leave behind, inflation expected during retirement, and returns expected on investment during retirement.

“Once these values are determined, one can mathematically arrive at the corpus needed at the time of retirement. Sometimes, one may only estimate a range rather than an absolute number; in that case, one can arrive at the range of corpus required at the time of retirement.”

To help you ascertain how much you would need at retirement, we have prepared a table. (*See table How to Calculate Your Retirement Corpus*).

“Each investor needs to find out his own retirement corpus depending upon his monthly expenses and keeping an eye on inflation in the economy. For India, we can assume that the retirement corpus should be 16 to 17 times of your family's annual expenses (at the time of retirement). I am presuming India being a growth economy, long-term inflation would range from 5 per cent to 7 per cent on the lower side,” says Jain.

ASSET MIX

Asset allocation is to investment what oxygen is to human life. It means how to invest money into various asset classes keeping in mind your risk tolerance. It is important to invest in the right asset class as it will decide the kind of returns you will get.

However, the mistake that people make while deciding on this is to become very conservative and ignore equity altogether or have very less exposure. But to get inflation beating returns, one needs to invest in high-growth assets.

The S&P BSE Sensex has given a return of 184 per cent over the period of 10 years, while gold has given only 29 per cent (in dollar terms). The numbers clearly show why there needs to be equity exposure. Apart from equity, here are some of the other avenues that you can consider to build your corpus along with a steady stream of income post retirement.

PUBLIC PROVIDENT FUND

Public Provident Fund (PPF) is one of the best saving avenues that offer guaranteed and entirely tax-free returns along with ₹1.5 lakh deduction on the investment under section 80C of the Income Tax Act.

Currently, it offers 7.1 per cent interest rate, but the pre-tax yield from PPF comes to around 10.14 per cent (assuming 30 per cent tax bracket) and that too is guaranteed. The tax benefits offered with PPF clearly make it one of the most sought-after retirement tools.

A PPF account is for 15 years, after which it can be continued for five years, provided you submit a renewal letter within one year of maturity. You can also use a PPF account for creating a regular stream of tax-free income by withdrawing a certain amount every year post retirement. However, the downside is you are allowed to invest only ₹1.5 lakh in a PPF account in a particular year.

THE BEST ANNUITY PLANS

The pension amount is calculated assuming one invests ₹25 lakh (without GST)		Age 55		Age 60	
Plan	Benefits	Yearly Pension (₹)	Pension Rate (%)	Yearly Pension (₹)	Pension Rate (%)
Kotak Lifetime Income Plan - Joint Life Annuity with ROP	Get life-long pension. After you, your spouse gets full pension. Lump sum amount returned to nominee	1,58,619	6.29	1,60,156	6.34
Max Life Guaranteed Lifetime Income Plan - Joint Life Annuity with ROP		1,55,800	6.18	1,56,200	6.18
Bajaj Allianz Life Guaranteed Pension Goal - Joint Life Annuity with ROP		1,55,742	6.18	1,56,524	6.19
HDFC Life New Immediate Annuity Plan - Joint Life Annuity with ROP		1,55,250	6.16	1,61,250	6.38
IndiaFirst Life Guaranteed Annuity Plan - Joint Life Annuity with ROP		1,53,407	6.09	1,55,961	6.17
PNB MetLife Immediate Annuity - Joint Life Annuity with ROP		1,51,358	6.00	1,51,960	6.01
IPru Life Guaranteed Pension Plan - Joint Life Annuity with ROP		1,50,989	5.99	1,53,192	6.06
LIC India Jeevan Akshay-VII - Joint Life Annuity with ROP		1,48,555	5.89	1,49,320	5.97
SBI Joint Life Annuity Plus - Joint Life Annuity with ROP		1,47,029	5.83	1,51,147	5.90
Tata AIA Life Smart Annuity Plan - Joint Life Annuity with ROP		1,42,685	5.66	1,44,450	5.71

ALL ARE JOINT LIFE ANNUITY PLANS WITH ANNUITANT DEATH ASSUMED AT 80; WIFE 5 YEARS YOUNGER AND DIES 10 YEARS AFTER ANNUITANT; ROP: RETURN OF PREMIUM
SOURCE: POLICYBAZAAR.COM

NPS

National Pension System (NPS) is a low-cost and tax-efficient retirement savings account. Apart from 80C deduction, it also offers an extra deduction of ₹50,000 under section 80CCD (1B) of the Income-Tax Act. Unlike PPF, it gives you the flexibility to choose between the two options—active choice and auto choice.

In active choice, you can invest your money across four fund options. Equity (E) invests in equities with maximum exposure of 75 per cent, while Corporate Debt Scheme (C) invests in bonds issued by public sector undertakings (PSUs), public financial institutions (PFIs), infrastructure companies and money market instruments. The Government Securities (G) scheme invests in securities issued by central government, state governments, and money market instruments and the Alternative Investment Funds (A) scheme invests in instruments such as CMBS, REITS, AIFs, etc.

In auto choice, your funds have an equity exposure of 25-75 per cent that goes down as the subscriber approaches maturity. It also offers you two account types—Tier I and Tier II. While investment in a Tier I account is compulsory, Tier II is optional and allows withdrawals.

As on February 11, Scheme E gave average one-year return of 15.69 per cent against the benchmark of 16.59 per cent. Scheme C returned 6.20 per cent against the benchmark of 6.69 per cent over the last one year. Scheme G gave an average return of 3.8 per cent, while Scheme A returned 8.97 per cent.

Like a PPF account, NPS also comes with a lock-in period. It allows you to withdraw only 60 per cent of funds tax-free at the age of 60, while the remaining 40 per cent has to be used to buy annuities. In case of early exit, you have to annuitise 80 per cent of your money. Pension is a taxable income in the hands of the recipient.

MUTUAL FUNDS

Mutual funds are one of the best savings tools for long-term goals such as retirement. This is because over the period, equities tend to give higher returns than other asset classes. Experts say for equity exposure, one should save through mutual funds in a systematic investment plan or SIP.

Apart from plain-vanilla products, there are also retirement-specific mutual fund schemes.

“Both solution-based products and the plain-vanilla ones have the same underlying assets. The only difference you can observe is the proportion of each asset class keeping different maturity periods in mind. Hence, investors must analyse the weightage of each asset class. Each investor can choose a suitable product depending on his risk appetite and time horizon,” says Jain.

only protects from the volatility of the stock market, but also helps in reaping tax benefits, especially if you are in the higher tax slabs. If you invest ₹20 lakh in an FD at 7 per cent interest rate per annum, your tax liability will be ₹42,000. However, if you invest in a debt mutual fund, and withdraw every quarter through SWP, the tax liability will come to around ₹1,730. One important point to note is that there is a tax exemption of ₹50,000 per annum for senior citizens under section 80TTB.

Chetanwala says, “Along with investing, it is equally important to create a proper portfolio for the withdrawal stage. For the post-retirement stage, it is a good strat-

plans, pension starts immediately without any waiting period. Annuity plans typically give 5-6 per cent return per annum. (See table *Best Annuity Plans*).

Vivek Jain, Head of Investments at Policybazaar.com, says, “The two most important things that one requires post retirement are the love and support of dear ones and a fixed regular income as a replacement of salary to take care of daily expenses. If you are someone who has already retired or is retiring soon, and want a regular and guaranteed income in your sunset years, investing your hard-earned money in a suitable annuity plan is the answer.”

“Under an annuity plan, you pay a lump sum in the accumulation

136 | **EQUITY EXPOSURE**

“Retirement planning is always a long-term investment and it has to be looked at in two phases. First is the accumulation phase where you invest over the years to build the retirement corpus and the other is the withdrawal stage where you use the corpus post-retirement. Equity is the best asset class that can be used during the accumulation stage,” says Harshad Chetanwala, Co-founder, MyWealthGrowth.com.

“A young investor planning for retirement should invest in equity to build the corpus. It is applicable for all investors who want to start investing for retirement and have more than seven years to build it. Some allocation in debt can be considered in the form of EPF or PPF. Only equity-based investments are good enough to create a retirement corpus over the long term,” he adds.

Another advantage of investing in MFs is the regular stream of income you can create by transferring funds from equity to debt schemes with a systematic withdrawal plan as one nears retirement. This not

only protects from the volatility of the stock market, but also helps in reaping tax benefits, especially if you are in the higher tax slabs. If you invest ₹20 lakh in an FD at 7 per cent interest rate per annum, your tax liability will be ₹42,000. However, if you invest in a debt mutual fund, and withdraw every quarter through SWP, the tax liability will come to around ₹1,730. One important point to note is that there is a tax exemption of ₹50,000 per annum for senior citizens under section 80TTB.

PENSION PLANS

There are two types of pension plans—deferred and immediate. Deferred pension plans allow you to accumulate a corpus through regular premium or single premium payment over a policy term. Here, the annuity starts at a later stage as per the period chosen at the time of buying the policy. It may be between 1 and 10 years. After the completion of the tenure, the pension is provided to the insured. In immediate annuity

period and get regular payments as long as you live or for a pre-specified fixed period. Annuity plans are specifically designed to meet long-term retirement needs of people with a decent corpus for investment,” he adds.

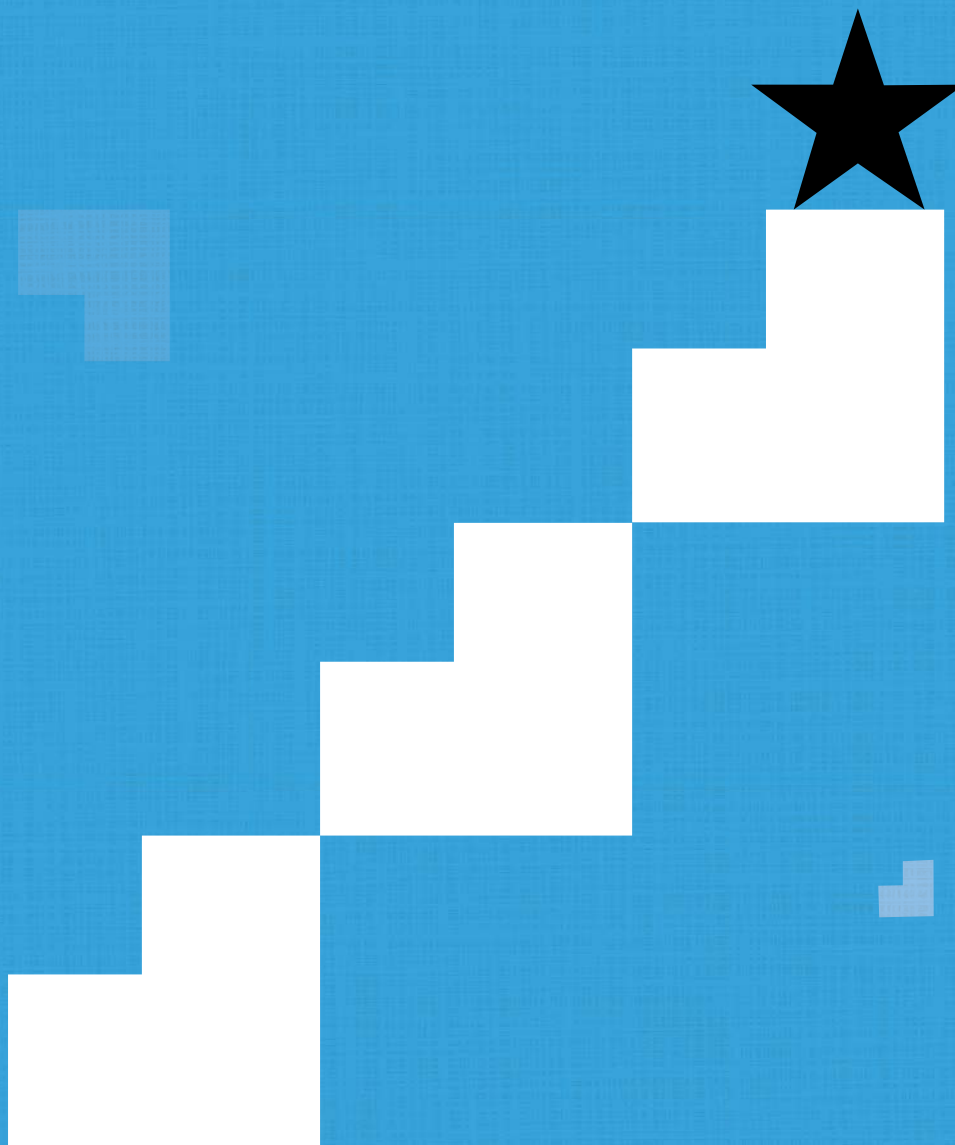
Last but not least, Employees’ Provident Fund is an important spoke of the retirement wheel. The best advice is never to withdraw from EPF and let it grow to reap the benefits of compounding.

By accurately calculating your retirement needs after taking into account the inflation and not putting all eggs in one basket, chances are high that you would be able to fulfil all your retirement dreams quite comfortably. **BT**

@Teena_Kaushal

Employees’ Provident Fund is an important spoke of the retirement wheel. The best advice is never to withdraw from EPF and let it grow to reap the benefits of compounding

TOP OF THE WORLD AT 30



#BTAT30

bt

Business Today

Online | On Stands | On Air

THE GOOD LIFE

TRENDS | TECH TONIC | DOWNTIME



A full-page background image of a majestic mountain range. The peaks are rugged and partially covered in snow, set against a bright blue sky with scattered white clouds. In the foreground, a rocky, grassy slope leads up towards the mountains.

ELECTRIFY YOUR RIDE

Tired of pedalling your old bicycle? Time to move to an e-cycle for that extra oomph

BY SMITA TRIPATHI

D **O YOU REMEMBER** the first time you got on a bicycle? The unsteady first few pedals and then the feeling of freedom as you learnt to balance it and ride it into the sunset. Okay, you probably just rode it to the park as in all likelihood you learnt cycling as a child. While most of us rode the cycle to school or the neighbourhood park with friends when growing up, the environment-friendly two-wheeler was soon abandoned in the shed as we moved to fancy fuel-guzzling four-wheelers. If you would like the fun of cycling combined with the suitability of an automobile (think more speed, less sweat), try out an e-cycle—a cycle with an electric motor and battery.

Unlike an e-scooter or e-bike, an e-cycle features more of an assist function rather than a full-blown electric engine. So in case of an e-cycle your pedal movement is assisted as you ride, taking

some of the pressure off your legs. The motor revs up when your speed drops below a certain level, giving you that electric power boost to lift up your mood and your speed, enabling you to keep feeling the wind in your hair, no matter how tired you are. Similarly, once the speed goes above a certain level, the motor cuts out allowing you to cruise along at a steady speed.

While e-cycles have become all the rage globally, especially in Europe, they are still at a nascent stage in India. As per a report by research firm Mordor Intelligence, the e-cycle market in India was valued at \$1.02 million in 2020 and is expected to double to \$2.08 million by 2026, projecting a CAGR of 12.69 per cent during the forecast period (2021-2026).

Over the last couple of years, several companies have launched e-cycles in India. These include Hero Lectro, GoZero Mobility, Zadd Bikes, Being Human, Giant Bicycles, EMotorad and Nexzu Mobility, among others. Given the lack of cycling lanes in the country, it's unlikely a lot of us will move to e-cycles for our daily commute. But it is still fun to take one for a spin.

So what should you look out for when buying an e-cycle? Rather than getting bogged down by price, speed, mileage, assembly, etc., Aditya Munjal, CEO of Hero Lectro, suggests that you first think about what you plan to do with the e-cycle. "While selecting an e-cycle, one should identify their purpose of opting for the e-cycle and select the bike best suited to them in terms of range and ergonomics," he says.

Hero Lectro offers 14 models, with the Hero Lectro F6i priced at ₹54,999 being the fanciest. The e-cycle has a crossover MTB frame making it ideal for both on and off road. It comes with a detachable battery that gives it a range of 60 km-plus with a single charge. It



also has Bluetooth connectivity, an LED screen and USB charging. Hero Lectro currently has 70 per cent market share of the e-cycle market in the country.

If you live close to office and decide to commute to work then chances are that you need something that is light, durable and easy to store once you get there. In that case, you may like to explore the

idea of a foldable cycle. Or you may like to explore the idea of a foldable cycle simply because it's super cool. EMotorad has launched Doodle. Priced at ₹79,800, it is India's first foldable e-cycle. With a maximum speed of 25 km/hour, it has a range of 40 km on a single charge. "It is a thought-through fat-tyre e-bike. It is also known as the SUV of e-bikes owing to its design and



1. The Doodle, from EMotorad, is India's first foldable e-cycle

2. Hero Lectro, with 14 models, has a 70 per cent share of the country's e-cycle market

3. Nexzu Mobility's Bazinga offers a 100-km range on a single charge

2.

| 141

terrain-friendly structure," says Aditya Oza, CMO and Co-founder, EMotorad.

The world's lightest folding e-cycle is manufactured by the UK-based Hummingbird and they ship to India. Priced at £4,495 (around ₹4.5 lakh), the Hummingbird Electric Gen 2.0 weighs only 10.3 kg. It gives you a range of 50 km on a single charge, with a top speed of 25 km/hour. It's available in four colours including canary yellow and by paying £500 (a little over ₹50,000) extra you can get a customised paint job done.

Another thing to look out for is the battery. Most e-cycles have lithium-ion battery packs with 8Ah-14Ah capacity, with voltage from 24V-36V. Depending upon the model you select, your battery life can vary significantly. Typically, the most common battery in e-cycles is

a 36V, 10Ah one. On a single charge this can take you up to 50 km using the highest level of assistance or up to close to 100 km using the lowest. The higher the capacity of your battery, generally, the longer you can ride. Of course, these are just guidelines. Things like terrain, carrying heavy weight, etc., can drain the battery faster. Most e-cycles come with a two-year warranty. But batteries generally need to be replaced every three years.

Nexzu Mobility's Bazinga offers a 100-km range on a single charge. It has a 14.5Ah lithium-ion battery and has a battery life of 750 charges. Priced at ₹49,000, the cycle gives a top speed of 25 km/hour.

"Consumers can choose based on the riding range, user accessibility, technology used, build of the cycle, and travel distance," says Atulya Mittal, Founder, Nexzu Mobility,

adding that the Bazinga is ideal for commuters as well as those who ride for fitness.

Of course, if you want an e-cycle for bragging rights then check out the limited edition Black Trail BT-01. Priced at \$80,000 (around ₹60 lakh), this German e-cycle is considered the most expensive in the world. What's peculiar is that it looks like something from the 1930s as that was the inspiration. Constructed of lightweight carbon fibre, aerospace aluminium, titanium, and magnesium, the e-cycle has a top speed of 100km/hour and weighs just 16 kg. Its 17Ah lithium-ion battery gives you a range of 200 km on a single 2.5-hour charge.

If you enjoy cycling but want something with a little more speed and panache, the e-cycle is for you. **BT**

@smitabw

THE HONCHO'S KIT

If you hold one of those corner offices, here are some powerful gadgets to grab and make a statement worthy of your position **BY NIDHI SINGAL**

APPLE OF THE EYE

With so many deadlines to meet, regular monitors often fall short on screen estate. Investing in this 34-inch curved monitor can enhance productivity by providing you with an immersive and wide field of view for multitasking. Housing two Thunderbolt 3 ports, it can be easily connected to compatible Macs and PCs. Transmitting video and data at speeds of up to 40 Gbps, it can simultaneously charge devices (up to 85W), over a single cable. And hey, these are quite pleasant to look at.

142 |

Available on: samsung.com/in



**SAMSUNG
ULTRA WQHD
CURVED MONITOR**

₹71,200

THE 34-INCH CURVED
MONITOR LETS
YOU MULTITASK
SEAMLESSLY

It's a Pro!

Although designed for creative professionals, this Apple product is also a perfect business laptop. Not only does it look great, it also is a powerhouse with great all-workday battery backup. Powered by Apple's new silicon (M1 Pro), the machine can handle just about anything in computing—be it number crunching or high-resolution creatives. The 14.2-inch Liquid Retina XDR display with 3024x1964 is vibrant with true-to-life colours and with its 1080p camera, you can say goodbye to those grainy video calls. This MacBook Pro does away with connectivity constraints as it comes with an HDMI port and 3 Type-C Thunderbolt ports. The device can also transfer data up to 40 Gbps and comes with built-in protection against malware and viruses.

Available on: apple.com/in



**APPLE
MACBOOK PRO**

₹1,94,900

THIS MAC IS A
POWERHOUSE WITH
GREAT ALL-WORKDAY
BATTERY BACKUP

Keep it Safe

Network-connected devices are convenient but using the same printer as your office staff for confidential documents isn't that great an idea. The HP Smart Tank 750 is a compact, ink tank printer that can sit in your cabin without taking up much space. It can be easily set up using dual-band Wi-Fi and Bluetooth and can also work with the HP Smart app to allow easy mobile scanning and printing. Its security features ensure that the device boots only with the software trusted by the original equipment manufacturer.

Available on: hp.com/in-en/shop/

HP SMART TANK 750
₹ 26,453
 THE PRINTER BOOTS ONLY WITH THE SOFTWARE TRUSTED BY THE OEM



Beautiful Beast

This new flagship from Samsung, the Galaxy S22 Ultra, takes it a notch higher. Be it signing documents digitally or highlighting numbers in team reports, this phone will look just right in your hands. The more responsive S Pen (stylus) in the S22 Ultra will transmute what you write (or even scribble). And if you are worried about Android phones being more vulnerable, this one comes with defence-grade Samsung Knox—a complete suite of



SAMSUNG GALAXY S22 ULTRA
₹ 1,09,999
 THE SMARTPHONE COMES WITH DEFENCE-GRADE SAMSUNG KNOX

enterprise mobility solutions—built from the hardware chip up to isolate, encrypt and secure your data.

Available on: samsung.com/in

A CLEAN SLATE

No matter how much you switch to the digital world, you still can't eliminate paper documentation. Instead of just tearing documents containing your personal or company information, shred them. This might sound basic, but a paper shredder should be one of the must-haves in your office. The GBC Prostyle+ shreds up to 13 sheets at one go and even credit cards.

Available on: amazon.in

| 143



SANDISK CONNECT WIRELESS STICK
₹ 2,990 (for 32 GB)
 NOW, SHARE DATA WITHOUT PASSING AROUND A PEN DRIVE

WIRELESSLY YOURS

With the SanDisk Connect Wireless Stick, you can share data with colleagues wirelessly, eliminating the need to pass around a pen drive. The power switch on the side creates a Wi-Fi network and can be used to connect up to three devices to its network simultaneously. Users can connect their computer or mobile phone to the wireless network and access data using the browser or the SanDisk's connect app.

Available on: reliancedigital.in



GBC PROSTYLE+ SHREDDER 13 SHEET
₹ 22,990
 THIS SLEEK MACHINE CAN SHRED UP TO 13 SHEETS AT ONE GO

The Best Advice I Ever Got

SHREEVAR KHERUKA | MANAGING DIRECTOR | BOROSIL LTD

Borosil Ltd is a leading manufacturer of laboratory glassware and microwaveable kitchenware in India



PHOTO BY MILIND SHELTE

‘A group, when well-managed, can solve a lot of problems’

What was the problem you were grappling with?

During the peak of the second wave of Covid-19, there was a lot of fear among our team members. This fear was because of the uncertainty across the organisation—both on the business as well as the personal front. This fear was debilitating people and preventing them from taking timely action.

How did you approach it?

When dealing with any issue, the first thing to do is to acknowledge that the issue exists. When we acknowledge a problem, we take the first step in dealing with it. I held a Zoom meeting with my senior team members with a simple agenda—understand the magnitude of the problem and then find a solution for it.

What was the best advice you have ever received?

The best advice that I have ever received was from my grandmother. She said that groups, when well-managed, have a lot of problem-solving capacity. The same problem that is challenging for any one individual to resolve can be broken down and solved by the same individual in a larger group setting.

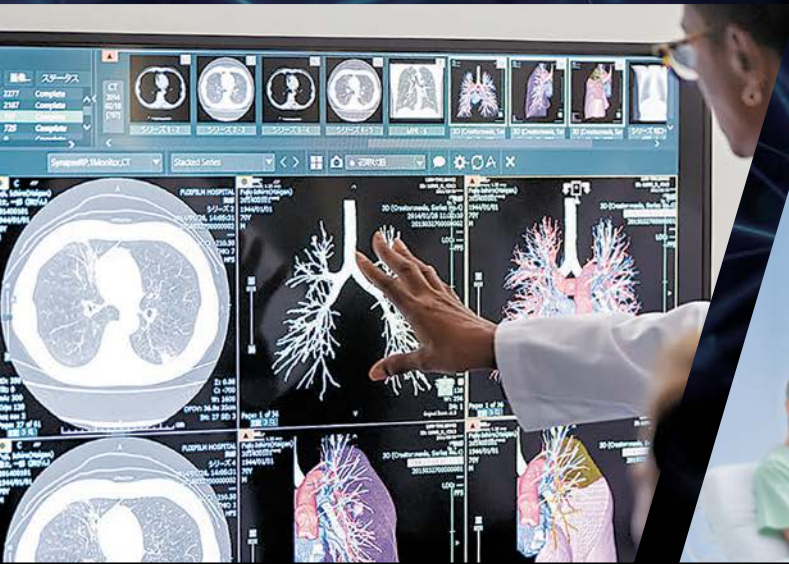
How effective was it in resolving the problem?

When we did the group meeting to find a solution for the fear that all of us were experiencing, we were able to find simple policies that could help our team overcome this fear. These policies were announced immediately and were well-received by the entire organisation. The morale and energy of the team bounced back virtually immediately, and we were able to emerge from the problem successfully. **BT**

—ALOKESH BHATTACHARYYA

Vol. 31, No. 6 for the fortnight
March 7, 2022 to March 20, 2022. Released
on March 7, 2022.
Total number of pages 146 (including cover)

WE WILL
**NEVER
STOP** INNOVATING SOLUTIONS
FOR A BETTER WORLD



Medical Imaging

Making early detection of diseases a reality through AI and image analysis technology.



Graphic Arts

Bringing imagination to life with innovations in printing material, system and workflow.

Image Capturing

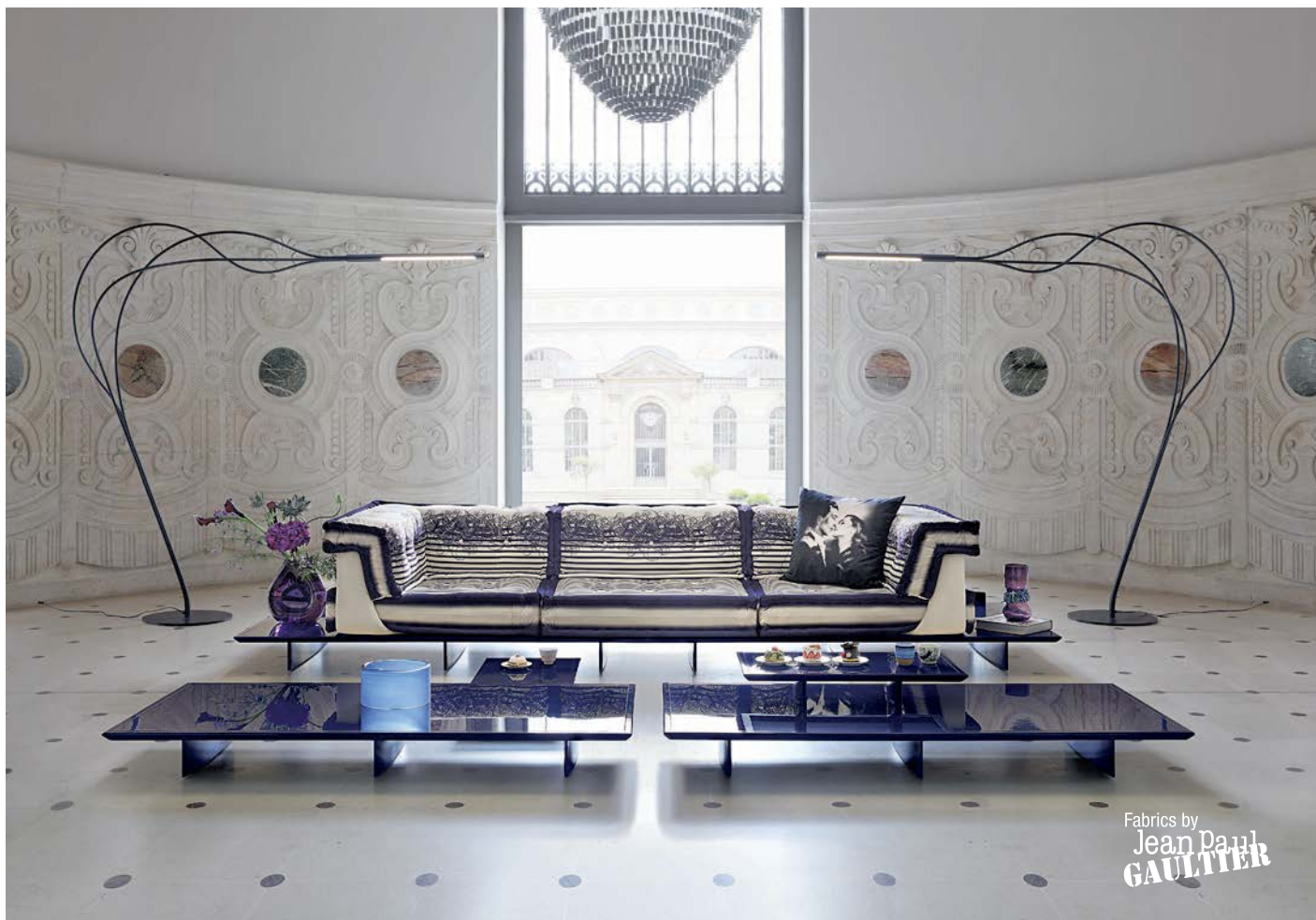
Enriching lives as pioneers and innovators of digital photography and instant cameras.

50 YEARS

MAH JONG SOFA

This year, Roche Bobois celebrates 50 years of the Mah Jong sofa, designed by Hans Hopfer in 1971. To mark this milestone, the Mah Jong is dressed in new designer fabrics and set on elegant platforms that enhance its silhouette and make it even more comfortable. Avant-garde at the time of its creation, this ultra-modular sofa is an iconic piece today.

Photos: Michel Gibert and Baptiste Le Quiou, for advertising purposes only. BrF/INH/ENC - Bruno GAUDIN and Virginie BREGAL, Architects. Paris 2021, TASCHEN.



Fabrics by
Jean Paul GAULTIER



Mah Jong. Modular element sofa, designed by Hans Hopfer.
Upholstered in **Jean Paul Gaultier**, Couture collection.
Platforms in high-gloss lacquered wood, Ink (Encre) finish.

MUMBAI - One International Center, Tower - 1, Elphinstone Road (W),
S.B Marg, Mumbai - 400013. Tel: 022 49237772 / 3, mumbai@roche-bobois.com

In-store interior design & 3D modelling services

French Art de Vivre

rochebobois
PARIS